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Footwear
(Men's, Women's, Boys' and Girls')

FAIRCHILD FACT FILE

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FOOTWEAR
(MEN'S, WOMEN'S, BOYS' AND GIRLS')

SHORT TERM FORECAST: 1991

Assuming a recessionary climate throughout 1991, Kurt Salmon Associates (KSA), a management consulting group, predicts that footwear growth will slow to a modest 1% in 1991. While this forecast is grim, footwear will remain the healthiest area of soft goods, considering that apparel sales are expected to fall 1% while hosiery sales will be flat.

Besides a weakened economy, KSA attributes the slowdown in footwear growth to a sneaker saturation in the U.S. market, rising materials costs, and changing demographics.

Footwear, like other softgoods, should follow a "First-In, First-Out" pattern, when it comes to recessions, according to KSA. In other words, as consumer confidence is restored, they will find it easier to purchase small ticket items such as footwear, rather than large purchases like cars and appliances.

According to the Department of Commerce, as reported in Footwear News, imports of non-rubber footwear are forecasted to increase 3% in 1991 to roughly 939 million pairs, up from an estimated 912 million pairs in 1990. This growth, however, is slower than the 6% growth in import pairage reported in 1990.

Total domestic production of non-rubber footwear is expected to decline in 1991, driven by a 4% decline in the men's segment and a 3% decline in the women's segment. Domestic production for children's, athletic and misses' footwear should grow modestly in 1991, according to the Commerce Department.

LONG TERM FORECAST: 1990-2000

The total U.S. retail shoe market will grow 5.5% from 1990 to 2000, according to Footwear News, based on Footwear Market Insights' report U.S. Footwear Market Forecast 1990-2000.

The report predicts that the men's and women's markets will increase slightly by the year 2000, but the children's and infants' categories will decrease in pairs sold.

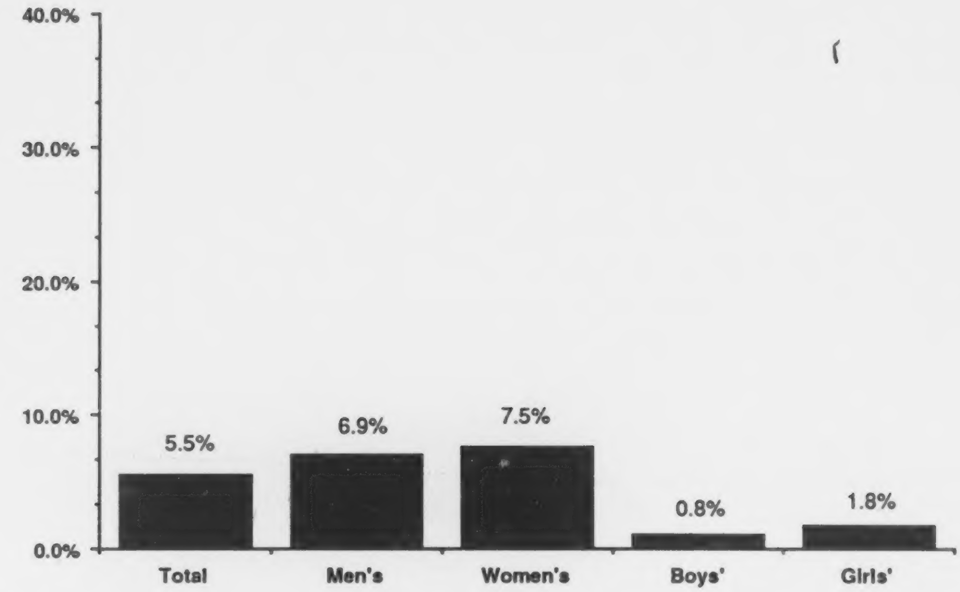
Men's footwear is projected to grow 6.9% to just under 316 million pairs by the year 2000, while the women's market will rise 7.5% to 617 million pairs, according to FMI. The boys' market is expected to decline 0.8% to just over 67 million pairs in 2000 compared to 67.7 million in 1990; the girls' market will drop an even larger 1.8% to 57 million pairs, down from the 58 million estimated for 1990.

For the total market, athletic footwear growth will fall slightly behind non-athletic shoe sales growth from 1990 to 2000. Athletic pairs sold are estimated to increase 3.4% to 420 million pairs, while non-athletic pairs will grow 7% to 677 million pairs, according to the FMI prediction.

Demographic shifts, particularly the aging of the U.S. population, are expected to strongly influence the footwear industry by the year 2000. The most dramatic growth in footwear purchases will be in the mature age segments, with the single biggest increase in pairs sold occurring in the 45-54 year old age group, FMI predicts.

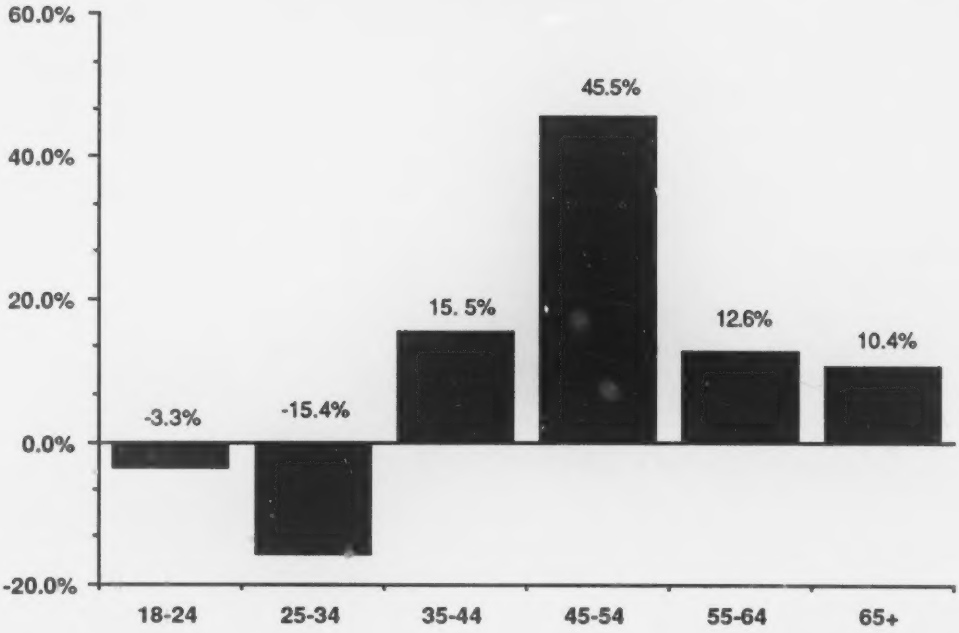
Pairage Growth/Decline

By Segment 1990/2000



Pairage Growth/Decline

By Age 1990/2000



Source: Fairchild Fashion & Merchandising Group:
Footwear News (12/31/90)
Based on FMI data

FOOTWEAR
(MEN'S, WOMEN'S, BOYS' AND GIRLS')

EXECUTIVE SUMMARY

U.S. consumers spent about $30 billion on footwear in 1989, registering a 7.0% increase over 1988. 48% of these purchases were for athletic shoes according to Footwear Market Insights (FMI)

Size of the Market - Retail: 1989

	Quantity (mil. of pairs)	Value (billions of $)	Percent Change 1989/88	
			Quantity	Value
Men's	271	$11.8	0.3%	5.4%
Women's	534	14.6	2.7	6.6
Juvenile*	183	3.2	2.5	9.5
TOTAL	988	29.6	1.8	6.9

*Combination of Boys', Girls' and Infants' market share

Discount stores accounted for the largest percentage of shoe sales in 1989, followed by shoe stores and department stores according to Footwear Market Insights.

Footwear Industries of America, based on Census Bureau Data, reported that:

> U.S production of nonrubber and rubber/fabric footwear fell 7%, to 215 million pairs, for the first nine months of 1990 vs. the same 1989 period. Production of nonrubber footwear fell 11%, to 155 million pairs, while rubber/fabric footwear production rose 5.2%, to nearly 60 million pairs during this period.
>
> China emerged as the leading source of U.S. imports of nonrubber footwear for the year ending September 1990, overtaking Taiwan.
>
> U.S. imports of non-rubber footwear increased 5.5%, to 690 million pairs, for the first nine months of 1990 compared to 1989. Imports of rubber/fabric footwear rose 10.2%, to 162 million pairs during this period.
>
> U.S. exports of nonrubber and rubber/fabric footwear jumped 13.9% for the first nine months of 1990 over to the comparable 1989 period. Mexico was the primary recipient of U.S. exports of nonrubber footwear.

Producer prices for non-rubber footwear rose 3.3% when comparing September 1990 to September 1989 according to the U.S. Bureau of Labor Statistics. Rubber/plastic producer prices fell a slight 0.2% during the same period.

Employee levels in the nonrubber footwear industry fell 10.1% in 1989 from 1986, while the number of employees in rubber/plastics footwear plants rose 0.9%, according to the U.S. Bureau of Labor Statistics.

MARKET TRENDS

With a recession threatening the fragile retail environment, and influencing the purchase patterns of a more cautious consumer, footwear manufacturers are concerned with remaining competitive enough to achieve sales growth. In turn, many companies have begun implementing tighter inventory control and price maintenance, and have introduced moderately priced lines, while still maintaining fashion excitement.

Faced with price increases as high as 5 to 15 percent, due to higher costs in Brazil and the Far East, and the dollars continued weakness in Europe, these companies are also sourcing in countries with lower wage rates, such as China, South Korea, Taiwan, Thailand and Indonesia. Sourcing overseas, however, has affected U.S. production and employment levels in the footwear industry, which have been declining steadily.

Retailers, anxious to please customers, are also absorbing part of the increases in shoe prices, and have begun offering materials other than the more expensive leather. They are also keeping inventories lean, and some have sought out alternative vendors with more competitive prices.

Athletic footwear, a $10 billion market at retail, continues to be an important and growing segment of the total footwear industry, with Nike, Reebok, and L.A. Gear remaining as the top three suppliers. Athletic shoe purchases rose 12.4% in 1989 vs. 1988, however, this growth is slower than that reported in earlier years, according to FMI. Athletic shoes sold to women improved in 1989, and now exceeds the men's market, to become the fastest growing segment of the business. The men's and children's segment fell off during the same period.

Cross-Trainers, an $800 million category according to the Sporting Goods Manufacturers Association, have pumped fresh excitement into athletics, by pushing beyond earlier blockbuster categories - aerobics and basketball.

The walking shoe, with a retail potential of $1.2 billion, also remains an excellent growth category, dominated by athletic brands which account for 80% of the market, according to FMI.

The aging of the population, baby boomers in particular, has contributed to the success of walking shoes and its future potential, as 57% of the business is geared toward consumers aged 40+. This demographic shift should also affect shoe purchases and style preferences for all shoe categories, as older consumers demand more comfort and leisure styles.

The comfort market is experiencing continued growth, overall, rapidly steering the shoe industry in a new direction, and accounting for significant amounts of business. This movement to more casual styles with comfort features such as padded insoles and flexible bottoms, will prompt retailers to sell these features in almost all categories and price points, in an effort to increase perceived value and take advantage of leveling athletic shoe sales. The combination of the functional support and feel of an athletic shoe with the appearance of a conventional dress shoe is responsible for the surging growth of the comfort market, and has prompted companies like Nike and Reebok to develop separate casual shoe lines to compete in this category.

MARKET TRENDS (continued)

The emergence of many new styles may signal an exit from the industry's dependence on athletic influences, pumps, and the color black. Shoes with design influences from the 1960's have become popular, as have over-the-knee dress boots, Western shoe boots, nubuc oxfords, and environment-inspired hikers and outdoor looks.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

The U.S. Bureau of the Census compiles detailed industry information every five years in the Census of Manufactures, the latest of which covered the year 1987. In intercensal periods, the Bureau conducts annual surveys among samples of manufacturers to provide estimates on key measurements of manufacturing activity.

In addition, the International Trade Administration (U.S. Department of Commerce), issues an annual U.S. Industrial Outlook report, which gives projections on industry trends based on Census Bureau compilations.

Estimated footwear industry shipments (which include all products, both primary and secondary, made in plants in the specified industry classification, plus miscellaneous receipts and contract work) were given in constant 1987 dollars eliminating the effects of inflation. The 1990 forecast shows a 3.1% increase in shipments of nonrubber footwear, with house slipper shipments growing 5.9%, and both men's and women's footwear shipments rising 2% compared with 1989 estimates. Shipments of rubber/plastics footwear are projected to fall 3.6%.

Industry Profile

Value of Footwear Industry Shipments: 1988-1990
(Constant 1987 dollars, in millions)

				% Change	
	1990(f)	1989(e)	1988(e)	1990/89	1989/88
Non-rubber footwear	$3,695	$3,585	$3,752	3.1%	-4.5%
House slippers	252	238	220	5.9	8.2
Men's footwear	1,752	1,718	1,926	2.0	-10.8
Women's footwear	1,167	1,144	1,171	2.0	-2.3
Footwear, n.e.c	524	485	435	8.0	11.5
Rubber/plastics footwear	505	524	557	-3.6	-5.9

(f) forecast
(e) estimate

Source: U.S. Department of Commerce,
International Trade Administration:
1990 U.S. Industrial Outlook

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

The U.S. Manufacturing Industry By Type of Footwear: 1982, 1987

	1987(r)	1982	% Change 1987/82
NON-RUBBER FOOTWEAR, TOTAL (SIC 314*)			
Number of companies	386#	570#	-32.3%
Number of establishments##	483	767	-37.0
With 20 or more employees	318	865	-63.2
All employees (thous.)	71.1	122.1	-41.8
Production workers (thous.)	62.2	112.6	-44.8
Payroll (mil. $)	$ 913.0	$ 1,233.4	-26.0
Value added by manufacture (mil.$)**	$ 2,152.6	$ 2,768.1	-22.2
Value of industry shipments (mil. $)***	$ 4,072.6	$ 5,194.7	-21.6
Capital expenditures, new (mil. $)	$ 39.4	$ 64.8	-39.2
MEN'S FOOTWEAR, EXCEPT ATHLETIC (SIC 3143*)			
Number of companies	110	129	-14.7
Number of establishments##	154	203	-24.1
With 20 or more employees	111	159	-30.2
All employees (thous.)	31.6	46.5	-32.0
Production workers (thous.)	27.5	40.7	-32.4
Payroll (mil. $)	$ 434.1	$ 503.1	-13.7
Value added by manufacture (mil. $)**	$1,046.7	$1,101.4	- 5.0
Value of industry shipments (mil. $)***	$2,104.8	$2,261.4	- 6.9
Capital expenditures, new (mil. $)	$ 17.4	$ 28.3	-38.5
WOMEN'S FOOTWEAR, EXCEPT ATHLETIC (SIC 3144*)			
Number of companies	122	209	-41.6
Number of establishments##	163	293	-44.4
With 20 or more employees	123	226	-45.6
All employees (thous.)	26.6	48.4	-45.0
Production workers (thous.)	23.7	43.4	-45.4
Payroll (mil. $)	$ 320.0	$ 483.1	-33.8
Value added by manufacture (mil. $)**	$ 755.8	$1,107.0	-31.7
Value of industry shipments (mil. $)***	$1,316.0	$1,933.2	-31.9
Capital expenditures, new (mil. $)	$ 11.3	$ 20.2	-44.1
HOUSE SLIPPERS (SIC 3142*)			
Number of companies	34	65	-47.7
Number of establishments##	37	78	-52.6
With 20 or more employees	23	55	-58.2
All employees (thous.)	3.7	8.1	-54.3
Production workers (thous.)	3.0	11.7	-74.4
Payroll (mil. $)	$ 50.3	$ 54.5	- 7.7
Value added by manufacture (mil. $)**	$ 132.9	$ 108.8	22.2
Value of industry shipments (mil. $)***	$ 232.5	$ 201.2	15.6
Capital expenditures, new (mil. $)	$ 2.7	$ 2.3	17.4

(continued)

GENERAL INDUSTRY STATISTICS

Industry Profile (continued)

The U.S. Manufacturing Industry By Type of Footwear: 1982, 1987
(continued)

	1987(r)	1982	% Change 1987/82
FOOTWEAR, EXCEPT RUBBER, NOT ELSEWHERE CLASSIFIED (SIC 3149*)			
Number of companies	120	167	-28.1
Number of establishments##	129	193	-33.2
With 20 or more employees	61	107	-43.0
All employees (thous.)	9.2	19.1	-51.8
Production workers (thous.)	8.0	16.8	-52.4
Payroll (mil. $)	$ 108.6	$ 192.7	-43.6
Value added by manufacture (mil. $)**	$ 217.2	$ 450.9	-51.8
Value of industry shipments (mil. $)***	$ 419.3	$ 798.9	-47.5
Capital expenditures, new (mil. $)	$ 6.6	$ 14.0	-52.9
RUBBER/PLASTICS FOOTWEAR (SIC 3021*)			
Number of companies	55	53	3.8%
Number of establishments##	65	65	0.0
With 20 or more employees	38	40	- 5.0
All employees (thous.)	10.9	17.6	-38.1
Production workers (thous.)	9.1	15.0	-39.3
Payroll (mil. $)	$ 153.3	$ 196.5	-22.0
Value added by manufacture (mil. $)**	$ 315.8	$ 360.1	-12.3
Value of industry shipments (mil. $)***	$ 557.2	$ 706.2	-21.1
Capital expenditures, new (mil. $)	$ 9.4	$ 12.4	-24.2
BOOT & SHOE CUT STOCK & FINDINGS (SIC 3131*)			
Number of companies	113	149	-24.2%
Number of establishments##	127	161	-21.1
With 20 or more employees	57	80	-28.8
All employees (thous.)	5.0	6.8	-26.5
Production workers (thous.)	4.3	5.7	-24.6
Value added by manufacture (mil. $)**	$ 141.4	$ 154.7	- 8.6
Value of industry shipments (mil. $)***	$ 324.1	$ 367.8	-11.9
Capital expenditures, new (mil. $)	$ 3.3	$ 6.0	-45.0

(r) revised

# The company counts reported for individual components of the footwear industry are not additive as these counts cover the number of companies operating plants classified (on the basis of major product) in a specified component, and companies may, therefore, be counted in more than one segment. (The 1982 Enterprise Statistics report based on the 1982 Census covered a net count on companies whose principal product was nonleather footwear. A 1987 count will eventually be available from the Census Bureau.)

(continued)

Industry Profile (continued)

## Each manufacturing location is counted as a separate establishment (plant). Auxiliary locations (such as sales offices, warehouses, etc.) are not included in the above table.

* Manufacturing plants are classified by industry under the Standard Industrial Classification (SIC) System determined by the principal product, as shown below. (SIC 314 is a composite of industries in SIC 3142, -43, -44, -49). Data is reported on the basis of the newly revised SIC system.

1987 Industry SIC Definitions:

SIC 3143	Establishments primarily engaged in the production of men's dress and casual shoes, boots and work shoes--much of these are all leather. Also includes orthopedic shoes, except extension shoes.
SIC 3144	Establishments primarily engaged in the production of women's dress and casual shoes, and boots. Much of the footwear produced by these plants is primarily of leather. Also includes orthopedic, except extension shoes.
SIC 3142	Establishments primarily engaged in the production of house slippers made of leather or other materials. Slipper socks are included in this industry, if made from purchased socks.
SIC 3149	Establishments primarily producing footwear not classified in the above industries or in SIC 3021 (rubber and plastic). Included in SIC 3149 are shoes for infants and babies, children, misses, youths and boys. Also included are athletic shoes (except rubber), theatrical shoes, and mocassins.
SIC 3021	Establishments primarily engaged in manufacturing fabric upper footwear having rubber or plastic soles attached to the uppers. Also includes rubber soled canvas shoes, rubber sandals and slippers, and rubber and plastic protective footwear such as boots, rubbers, galoshes, (designed to be worn as a protection against water, oil, chemicals, cold weather, etc.)
SIC 3131	Establishments primarily engaged in manufacturing leather soles, inner soles, and other boot and shoe cut stock findings. This industry also includes finished wood heels. It does not include manufacturers of shoe findings made of rubber, plastic, or fiber.

(continued)

Industry Profile (continued)

** Value added by manufacture is derived by subtracting the cost of finished products, materials, supplies, fuel, contract work, etc., from the value of shipments (including resales of finished products) plus the net change in the value of finished products and work-in-process inventories between the beginning and end of the year, without adjustment for price changes.

*** Value of industry shipments represents the total value of shipments of all establishments classified in the specified industry. The data includes the shipments of products classified in the industry (primary to the industry), products classified in other industries (secondary to the industry), and miscellaneous receipts (repair work, research and development, resales, etc.) This should be clearly distinguished from the specific value of footwear shipments by all manufacturers, including both primary and secondary producers which are classified in other industries. The value is covered in PRODUCT SHIPMENTS. (Values refer to received or receivable net selling values, f.o.b. plant (exclusive of freight and taxes, etc.)

Source: U.S. Bureau of the Census:
1987 Census of Manufactures
Industry Series (MC87-1-30A, 31A)

Explanation of other terms used in this Fact File:

Non-rubber footwear: Includes shoes, boots and slippers made by "conventional" processes, such as cemented, welted, slip-lasted, etc., and shoes with rubber sole vulcanized to leather uppers. (Footwear covered in SIC 314)

Rubber/plastic footwear: Footwear with rubber or plastic soles and fabric uppers, such as sneakers, and rubber or plastic protective footwear. (SIC 302)

Sizes:
Men's shoes: sizes 6 and over, including big boys' shoes.
Youths' and boys' shoes: sizes 12 1/2 to 5 1/2.
Women's shoes: sizes 4 and over including growing girls' shoes.
Misses' shoes: sizes 12 1/2 to 3 1/2.
Children's shoes: sizes 8 1/2 to 12, including little boys' shoes.
Infants' shoes: size 0 to 8.

Note: In some cases, sources of information use age designations rather than size in classifying shoe types.

GENERAL INDUSTRY STATISTICS

Employment and Earnings

The influx of imported shoes into the U.S. has greatly affected domestic employment levels in rubber and nonrubber footwear plants. Suppliers in many developing countries maintain a substantial cost advantage over U.S. shoe manufacturers, because of much lower wage rates, according to the International Trade Administration. As a result, many U.S. footwear firms are setting up production facilities in these countries, cutting down the number of U.S. employees needed.

According to Footwear Industries of America (FIA), the total number of employees in the nonrubber footwear industry fell 7.8% during the first six months of 1990 vs. that of 1989. Production worker levels also fell 7.8% during that time period.

Steady declines in production worker levels was reported in footwear plants during census year 1972 to 1987, according to the Census Bureau. The number of production workers in men's footwear plants dropped 32.4% compared to 1982, while the total fell 45.4% in women's footwear plants, and 53.2% in house slipper plants. A 39.3% decline also occurred in plants making rubber/plastics footwear.

Trends in Production Worker Employment, Wages & Value Added By Manufacture: Selected Years, 1972-1987

Year	No. of Production Workers (In thousands)	Total Wages (Mil. $)	Value Added By Manufacture (Mil. $)
Non-rubber footwear plants:			
Men's, except athletic			
1987(r)	27.5	$ 326.4	$1,046.7
1982	40.7	382.2	1,101.4
1977	49.2	332.2	871.9
1972	54.4	288.9	674.4
Women's, except athletic			
1987	23.7	$ 253.2	$ 755.8
1982	43.4	392.9	1,107.0
1977	51.3	315.6	755.0
1972	70.0	334.3	763.6
House slippers			
1987(r)	3.0	$ 30.1	$ 132.9
1982	6.4	51.7	149.7
1977	7.0	39.6	108.8
1972	7.1	33.4	85.7

(continued)

Employment and Earnings (continued)

Trends in Production Worker Employment, Wages & Value Added By Manufacture: Selected Years, 1972-1987
(continued)

	No. of Production Workers (thousands)	Total Wages (Mil. $)	Value Added By Manufacture (Mil. $)
Footwear, except rubber, n.e.c			
1987(r)	8.0	$ 81.3	$ 217.2
1982	16.8	146.8	450.9
1977	21.8	135.1	333.7
1972	25.6	124.9	272.5
Rubber and plastics footwear			
1987	9.1	$ 103.5	$ 315.8
1982	15.0	149.1	360.1
1977	16.4	115.9	272.3
1972	26.5	137.5	370.3

(r) revised
n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census: Census of Manufactures

Monthly data on U.S. employment and earnings is compiled by the U.S. Department of Labor, Bureau of Labor Statistics. Employment totals differ somewhat from the annual reports by the Census Bureau due to a difference in methodology in compiling the data.

Later data covering 1988 and 1989, compiled by the U.S. Bureau of Labor Statistics, shows a continued decline in the total number of employees and production workers, for all listed nonrubber footwear categories. Employee levels in nonrubber footwear plants fell 10.1% overall in 1989 from 1986. A 0.9% increase in employee numbers, however, was noted in rubber/plastics footwear plants.

GENERAL INDUSTRY STATISTICS

Employment and Earnings (continued)

Employment, Hours and Earnings: Annual Averages, 1986-1989
(Employment figures in thousands)

	Employment		Production Worker		
			Average Earnings		Average Weekly
	Total	Production Workers	Weekly	Hourly	Hours
Total footwear, non-rubber (SIC 314)*					
1989	79.6	67.9	$234.24	$6.28	37.3
1988	83.6	71.2	222.46	5.98	37.2
1987	84.0	72.3	217.73	5.76	37.8
1986	88.5	74.6	201.96	5.61	36.0
Men's footwear, except athletic (SIC 3143)					
1989	34.9	28.4	$250.28	$6.71	37.3
1988	37.0	29.8	235.48	6.33	37.2
1987	36.4	29.5	233.23	6.17	37.8
1986	39.1	31.2	214.44	5.99	35.8
Women's footwear, except athletic (SIC 3144)					
1989	27.6	24.5	$220.60	$5.93	37.2
1988	29.1	25.7	210.70	5.71	36.9
1987	30.7	27.0	206.34	5.43	38.0
1986	31.5	27.6	192.05	5.32	36.1
Rubber/plastics footwear (SIC 302)					
1989	11.0	9.0	$266.99	$6.56	40.7
1988	11.7	9.7	255.50	6.34	40.3
1987	11.2	9.3	252.29	6.05	41.7
1986	10.9	9.2	234.42	5.98	39.2

* Total includes types of non-rubber footwear not separately listed.

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (March 1990) and annual supplements

Preliminary data from the BLS, available as of August 1990, shows a downturn in employment levels in nonrubber footwear plants, including those manufacturing men's and women's styles, compared to August 1989 levels.

A 7.8% increase in workers employed in rubber/plastics footwear plants, however, was reported, with the number of production workers rising 7.2%, caused by continued demand for sneaker-type footwear.

GENERAL INDUSTRY STATISTICS

Employment and Earnings (continued)

Employment, Hours and Earnings in U.S. Footwear Plants
August 1990 Compared With August 1989

	Total Employment (thous.)		Production Workers (thous.)		Average Weekly Hours		Average Weekly Earnings	
	1990(p)	1989	1990(p)	1989	1990(p)	1989	1990(p)	1989
Footwear								
Non-rubber	70.9	77.0	60.0	65.9	37.1	37.7	$243.01	$234.87
Men's	30.4	33.1	24.6	27.1	37.2	37.8	263.38	251.75
Women's	26.3	27.9	22.9	24.8	37.4	37.7	229.64	224.32
Rubber/plastics	11.0	10.2	8.9	8.3	41.8	40.2	276.72	262.91

(p) preliminary

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (October 1990)

The Bureau of Labor Statistics has issued employment benchmarks for industry segments not covered in monthly and annual reports, including house slippers and miscellaneous footwear. The figures were retabulated under the 1987 SIC structure, enabling data from earlier years to remain comparable to that of later years.

Employment in plants manufacturing house slippers rose to 4.8 thousand in March 1989, from 4.6 thousand in 1988, and 3.9 thousand in 1987.

Employment levels in plants classified in SIC 3149 (footwear, except rubber, n.e.c.), has been on a downward trend, as the number of workers dropped from 20.6 thousand in 1982, to 11.1 thousand in 1989.

Employment Benchmarks for Specified Footwear Industry Segments:
March 1982-1989
(In thousands)

Industry	1989	1988	1987	1986	1985	1984	1983	1982
House slippers (SIC 3142)	4.8	4.6	3.9	5.1	5.9	7.0	7.6	9.3
Footwear, except rubber, n.e.c. (SIC 3149)	11.1	12.8	12.1	14.0	15.1	18.7	20.3	20.6

n.e.c. not elsewhere classified

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (September 1990)

Employment and Earnings (continued)

Productivity, as measured by output per employee hour in the U.S. non-rubber footwear industry, declined somewhat in 1988, amounting to just 0.6% above the 1977 base period. Output averaged 3.9% below the 1987 level, and 5.5% below the level in 1982.

Indexes of Output Per Employee in the Non-rubber Footwear Industry: 1982-1988
(1977 = 100)

1988	1987(r)	1986(r)	1985	1984	1983	1982	% Change 1988/82
100.6	104.7	109.3	107.3	105.7	103.9	106.4	-5.5%

(r) revised

Source: U.S. Bureau of Labor Statistics: *Monthly Labor Review* (March 1990)

Unemployment

The number of unemployed workers in the non-rubber footwear industry totaled 10,000 in 1989, the same as in 1988, although the unemployment rate dropped to 9.9% from 10.4%, according to the Bureau of Labor Statistics. The unemployment levels do not include discouraged workers, or persons no longer trying to return to footwear industry employment.

Non-rubber Footwear Unemployment 1980-1989

Year	Number of Unemployed Workers	Unemployment Rate
1989	10,000	9.9
1988	10,000	10.4
1987	14,000	13.3
1986	18,000	15.4
1985	18,000	15.0
1984	27,000	16.6
1983	37,000	18.6
1982	41,000	18.8
1981	27,000	12.5
1980	16,000	7.7

Source: U.S. Department of Labor: Bureau of Labor Statistics

GENERAL INDUSTRY STATISTICS

Footwear Unit Labor Costs

The FIA has compiled the following information on non-rubber footwear unit labor costs in the U.S. from 1980 through 1989.

Non-rubber Footwear Unit Labor Costs
1980-1989

Year	Wage/ Hour	Pairs/ Hour	Unit Labor Cost	Average Price/Pair	Labor Share %
1989	6.28	1.715	3.66	17.04	21.5%
1988	5.99	1.580	3.79	16.91	22.4
1987	5.76	1.579	3.65	15.54	23.5
1986	5.61	1.718	3.27	14.66	22.3
1985	5.53	1.656	3.34	14.55	23.0
1984	5.43	1.657	3.28	14.31	22.9
1983	5.27	1.679	3.14	14.03	22.4
1982	5.12	1.709	3.00	13.43	22.3
1981	4.82	1.566	3.08	12.85	24.0
1980	4.42	1.656	2.67	12.00	22.3

Source: Compiled by Footwear Industries of America
from U.S. Bureau of Labor Statistics and U.S.
Bureau of the Census data.

Industry Concentration

Most plants in the men's and women's footwear industries employed 100 or more workers in 1987, according to the Census Bureau. The majority of plants producing house slippers, non-rubber footwear n.e.c. and rubber/plastics footwear were smaller, however, with between 1 and 19 employees. The value of shipments was highest in all footwear plants with 100 or more employees.

Footwear Industry Statistics By Employment Size of Plant: 1987
(Employees in thousands)

	Plants		Employees		Value Added By Mfr.		Value of Shipments	
	No.	%	No.	%	Mil.$	%	Mil.$	%
Men's footwear, total	154	100.0%	31.6	100.0%	$9,046.7	100.0%	$2,104.8	100.0%
Plants with average employment of --								
1-19 employees	43	27.9	nr	--	8.6	0.8	18.3	0.9
20-49 employees	13	8.4	0.5	1.6	11.4	1.1	20.7	1.0
50-99 employees	13	8.4	1.0	3.2	60.0	5.7	103.5	4.9
100 or more employees	85	55.2	29.9	94.6	966.7	92.4	1,962.3	93.2

(continued)

Industry Concentration

Footwear Industry Statistics By Employment Size of Plant: 1987
(Employees in thousands)
(continued)

	Plants		Employees		Value Added By Mfr.		Value of Shipments	
	No.	%	No.	%	Mil.$	%	Mil.$	%
Women's footwear, total	163	100.0%	26.6	100.0%	755.8	100.0%	1,316.0	100.0%
Plants with average employment of --								
1-19 employees	40	24.5	nr	--	6.2	0.8	10.3	0.8
20-49 employees	25	15.3	0.8	3.0	25.1	3.3	42.7	3.2
50-99 employees	17	10.4	1.2	4.5	28.5	3.8	66.5	5.1
100 or more employees	81	49.7	24.3	91.4	696.1	92.1	1196.6	90.9
House slippers, total	37	100.0%	3.7	100.0%	$132.9	100.0%	$ 232.5	100.0%
Plants with average employment of --								
1-19 employees	14	37.8	(D)	--	(D)	--	(D)	--
20-49 employees	7	18.9	0.2	5.4	5.1	3.8	9.1	3.9
50-99 employees	9	24.3	3.4	91.9	126.9	95.5	221.9	95.4
100 or more employees	7	18.9	(D)	--	(D)	--	(D)	--
Footwear, except rubber n.e.c.	129	100.0%	9.2	100.0%	$217.2	100.0%	$ 419.3	100.0%
Plants with average employment of --								
1-19 employees	68	52.7	0.4	4.3	10.0	4.6	21.0	5.0
20-49 employees	15	11.6	0.5	5.4	10.3	4.7	17.5	4.2
50-99 employees	12	9.3	0.9	9.8	24.7	11.4	44.3	10.6
100 or more employees	34	26.4	7.5	81.5	172.1	79.2	336.3	80.2
Rubber/plastics footwear, total	65	100.0%	10.9	100.0%	$ 315.8	100.0%	$ 557.2	100.0%
Plants with average employment of --								
1-19 employees	27	41.5	nr	--	4.5	1.4	9.3	1.7
20-49 employees	6	9.2	0.2	1.8	3.7	1.2	7.5	1.3
50-99 employees	8	12.3	0.6	5.5	10.0	3.2	18.6	3.3
100 or more employees	24	36.9	10.1	92.7	297.7	94.3	521.9	93.7

(D) withheld to avoid disclosure of individual company data
n.e.c. not elsewhere classified
nr not reported

Source: U.S. Bureau of the Census:
1987 Census of Manufactures

GENERAL INDUSTRY STATISTICS

Plant Closings

From 1982 to 1989, 369 footwear plants were closed, and 79 were opened, according to the Footwear Industries of America, for a net loss of 290 plants. There were no new plant openings in 1989, however, 21 closed, compared with 7 openings and 16 closings in 1988.

Net Closings of U.S. Non-rubber Footwear Plants: 1982-1989

	Closed	Opened	Net Loss
1982	33	10	- 23
1983	42	18	- 24
1984	104	20	- 84
1985	58	9	- 49
1986	70	6	- 64
1987	25	9	- 16
1988	16	7	- 9
1989	21	0	- 21
Total 1982-1989	369	79	-290

Source: Footwear Industries of America (FIA)

LOCATION OF THE INDUSTRY

Leading States

A listing of states with the greatest number of plants in each specified footwear category for 1987, was provided by the U.S. Census Bureau as follows:

Leading States in the Manufacture of Footwear: 1987
(Based on total number of plants)

Men's Footwear (except athletic)	No. of plants	
	Total	With 20+ Employees
U.S.	154	111
Texas	21	10
Maine	15	14
Pennsylvania	14	13
Massachusetts	13	8
Wisconsin	13	13

Women's Footwear (except athletic)	No. of plants	
	Total	With 20+ Employees
U.S.	163	123
California	27	18
New York	21	14
Missouri	18	17
Maine	13	11
Pennsylvania	12	8

House Slippers	No. of plants	
	Total	With 20+ Employees
U.S.	37	23
New York	6	2
New Jersey	5	2
Maine	3	3
North Carolina	2	1
Texas	2	2

Footwear, except rubber, n.e.c.	No. of plants	
	Total	With 20+ Employees
U.S.	129	61
Pennsylvania	19	17
Missouri	13	11
California	13	2
Maine	11	2
Florida	9	4

(continued)

LOCATION OF THE INDUSTRY

Leading States (continued)

Rubber & Plastics Footwear

	No. of plants	
	Total	With 20+ Employees
U.S.	65	38
California	8	4
New York	6	3
Pennsylvania	6	4
Florida	5	3

Source: U.S. Bureau of the Census:
1987 Census of Manufactures (MC87 -1-30A,31A)

MANUFACTURERS' OPERATIONS

An annual analysis of sales and operating results of publicly-held footwear companies classified as resources was published in the trade newspaper, Footwear News (August 20, 1990). The following covers sales and profits in 1989 compared with 1988.

Sales & Profits of Leading Publicly-Held Footwear Manufacturers, 1989, 1988
(Dollar figures in millions)

	Sales		Profit (Loss)		Footwear's Contribution To Sales	
	1989	% Change 1989/88	1989	% Change 1989/88	1989	1988
U.S. Shoe Corp.	$2,557.2	9.1%	$ 49.2	279.4%	30.9%	33.2%
Reebok Intl.	1,833.5	2.7	175.0	27.7	nr	nr
Nike, Inc.	1,710.8	42.2	167.0	64.3	nr	nr
L.A. Gear	617.1	175.8	55.1	149.9	nr	nr
Stride Rite	454.4	20.0	45.7	43.7	100.0	100.0
Wolverine Manufacturing	323.6	0.0	7.3	- 5.6	100.0	100.0
Justin Industries	277.9	11.3	7.2	- 3.6	51.7	49.4
Timberland	156.1	17.8	6.4	- 21.0	81.7	89.4
Weyerberg Manufacturing	138.9	10.0	6.4	25.3	100.0	100.0
R.G. Barry	122.8	15.7	3.7	16,178.3	100.0	100.0
Suave Shoe Corp.	86.7	13.4	0.4	na	100.0	100.0
Tony Lama Co., Inc.	75.6	- 0.7	(1.8)	na	100.0	100.0
K-Swiss Co.	69.4	71.6	4.8	74.0	100.0	100.0
Hyde Athletic	57.2	3.6	0.2	-130.7	100.0	100.0
B.B. Walker Co.	43.2	7.6	0.4	- 63.7	100.0	100.0
Jumping Jacks	36.7	-10.8	(3.3)	43.2	100.0	100.0
Wellco Enterprises, Inc.	29.2	28.6	2.5	14.2	100.0	100.0
Millfeld Enterprises	23.4	37.7	(0.3)	-760.6	100.0	100.0
Shaer Shoe	21.6	- 5.5	0.1	- 89.9	100.0	100.0
Daniel Green Co.	18.3	2.8	0.2	- 71.3	100.0	100.0
Penobscot Co.	14.3	-22.4	(0.2)	-116.1	100.0	100.0
RYKA	5.4	277.7	(3.6)	132.6	100.0	100.0
Total	$8,673.4	18.8	$522.4	53.9		

na not available () represents a loss nr not reported

Source: Footwear News, August 20, 1990

MANUFACTURER'S OPERATIONS

Athletic Footwear Suppliers

Nike, Reebok and L.A. Gear remained the top three U.S. athletic footwear suppliers in 1989, together accounting for a 59% share of the market. Nike moved to the number one spot, capturing 25.8% of the market, and surpassing Reebok, who was the leader in 1988. Domestic sales of Nike footwear rose 29% for fiscal year 1990, as air tech styles, using pressurized air to absorb body and foot impact, continued to be popular. Air Jordans, Air Cross-Trainers and Air Challenge tennis shoes were heavily demanded, and the New Air 180 style, introduced in 1991, consists of 50% more air to give the best cushioning device.

Domestic footwear sales at Reebok were flat overall. Despite continued sales of the Pump®, Reebok's inflatable athletic shoe, sales of the company's classic lines, aerobics and free style shoes, were soft, thus contributing to its drop to second place, according to Shearson Lehman Hutton. Reebok's total share of the market fell to 22.8% in 1989, from 27% in 1988.

L.A. Gear's explosive growth over the past few years has catapulted it to third place in the athletic footwear industry. The company's sales grew 176% in 1989 over 1988, according to SportStyle, as its market share doubled to 10.5%. This fashion athletic footwear supplier, originally offering only women's and children's styles, has successfully targeted the men's market, as men's styles accounted for 19% of sales in 1989.

Although dominance by the top three suppliers did not bode well for many smaller makers, who found themselves battling for diminished space, there were some exceptions. Keds and British Knights recorded annual sales increases, while K-Swiss was second to L.A. Gear in highest percent gain. Etonic moved up to an 11th place ranking, from 22nd in 1988, and the company's purchase of Puma has made Etonic-Tretorn the world's fourth largest athletic product company, according to SportStyle.

Estimated Share of the U.S. Athletic Footwear Market Held By Leading Manufacturers: 1989

	Percent
Total market	100.0%
Nike	25.8
Reebok	22.8
L.A. Gear	10.5
Converse	4.6
Keds	4.3
Avia	3.9
Adidas, U.S.A.	3.4
British Knights	2.5
New Balance	2.0
Other	20.2

Source: Shearson Lehman Hutton (7/12/90)

Athletic Footwear Suppliers (continued)

Leading Sneaker Companies By Retail Sales: 1989
(Billions of dollars)

Nike	$2.4
Reebok	2.3
L.A. Gear	1.0
Converse	0.5
Keds	0.45
Avia	0.33
Adidas, U.S.A.	0.32

Source: Sporting Goods Intelligence
New York Times (3/11/90)

Reebok's Footwear Revenues
(Millions of dollars)

	1991(e)	1990(e)	1989	1988
Total, footwear revenues*	$1,450.0	$1,295.0	$1,153.0	$1,155.4
By brand:				
Total	510.0	474.0	414.4	405.5
Rockport	265.0	230.0	191.5	170.9
Avia	175.0	180.0	196.2	201.4
Ellesse, U.S.A.	25.0	22.0	20.6	33.2
Boston Whaler	45.0	42.0	6.1	0.0

(e) estimated *Includes international sales.

Source: Shearson Lehman Hutton
(4/2/90)

Nike's U.S. Footwear Revenues
(Millions of dollars)

	1992(e)		1991(e)		1990(e)		1989(e)	
	Sales	%	Sales	%	Sales	%	Sales	%
Total Footwear	$2,119	100.0%	$1,783	100.0%	$1,489.4	100.0%	$1,153.9	100.0%
Athetic Footwear	1,934	91.3	1,633	91.6	1,368.9	91.9	1,066.6	92.4
Basketball	610	28.8	542	30.4	477.3	32.0	414.6	35.9
Fitness/Cross training	620	29.3	467	26.2	351.9	23.6	237.8	20.6
Running	300	14.2	269	15.1	233.1	15.7	202.6	17.6
Racquet	154	7.3	130	7.3	104.4	7.0	58.4	5.1
Other	250	11.8	225	12.6	202.2	13.6	153.2	13.3
Non-Athletic footwear	185	8.7	150	8.4	120.5	8.1	87.3	7.6

(e) estimated

Source: Shearson Lehman Hutton (7/11/90)

Athletic Footwear Suppliers (continued)

Percent Distribution of L.A. Gear's Footwear Revenues: 1989

Footwear Category	Percent
Women's*	47.0%
Children's*	20.0
Men's*	19.0
International	9.0

*Domestic Share

Source: Shearson Lehman Hutton (7/12/90)

NATIONAL ADVERTISING EXPENDITURES

Estimates on advertising-to-sales ratios by industry are compiled by Schonfeld & Associates, Evanston, IL, from a variety of sources, including the 10-K reports of publicly held companies. The following summary has been published in Advertising Age from the complete report, "Advertising Ratios & Budgets", which includes forecasts. Estimates and forecasts were developed by using historical data.

In using the data it should be noted that expenditures included as advertising in 10-K reports may vary from company to company; privately-owned companies are not included; multi-industry companies are reported only in their primary industry (based on sales of their dominant line of business).

Non-rubber Footwear Industry Advertising Ratios: 1984-1990
(All Media)

	Ad Dollars As % of Sales	Ad Dollars As % of Margin*	Ad Dollars Annual Growth Rate %
1990(e)	3.8%	10.5%	6.3%
1989(e)	3.4	9.9	5.9
1988(e)	3.2	8.2	-4.4
1987	nr	nr	nr
1986	4.2	10.2	-4.7
1985	4.5	12.2	4.5
1984	3.8	10.4	7.8

(e) estimated
nr not reported
* Margin is net sales less cost of goods sold

Source: Schonfeld & Associates, Evanston, IL,
(Advertising Age, August 13, 1990 and earlier issues)

NATIONAL ADVERTISING EXPENDITURES

Advertising has become increasingly important to footwear producers as a means of promoting new styles and creating brand awareness. This is particularly true of athletic shoe makers, who have raised their advertising budgets tremendously, thus enabling "the sneaker wars" to be fought on television and through other media, as well as on retail shelves.

According to the Television Bureau of Advertising, the footwear industry's top 10 spenders in 1989, most of them athletic firms, spent $109.3 million for television ads, up 45% from 1988, and 250% from 1987.

Nike, Inc. was the leading footwear television advertiser in 1989, and should spend more than $60 million in 1990, up from $6 million in 1986, according to Footwear News. Reebok ranked second, spending five times more in 1989 than it did in 1986, and with $18.3 million in television advertising expenditures, L.A. Gear ranked third. The medium has become cost prohibitive for smaller firms, whose total revenues are often less than what the big 3 producers spend on advertising.

Television ads had a lot to do with the impressive sales at Easy Spirit, a new division of U.S. Shoe Corp. As the sixth largest footwear TV advertiser, expenditures rose 58.6% between 1987 and 1989, in order to better promote the company's casual shoe and sneaker lines.

Newspaper advertising expenditures by the footwear industry have also grown, as the total in 1989 reached about $8,027,500 (including supplements), up from $7,497,900 in 1988, according to the Leading National Advertisers. Many firms also increased their advertising space in consumer magazines.

Consumer Magazines

In its Leading National Advertisers report, the Publisher's Information Bureau (PIB) details spending on consumer magazine advertising space by footwear companies. Annual data for 1989 is compared with 1988 data below. The PIB breaks down expenditures for footwear advertising into two classifications "Shoes and Boots Regular & Casual" and "Sport & Protective Footwear" including men's, women's and children's.

Selected Footwear Advertisers' Spending For Space in Consumer Magazines
On Shoes and Boots (Regular & Casual) 1988, 1989
(In thousands of dollars)

	Space Costs	
	1989	1988(r)
Reebok International, Ltd.*	$3,526.2	$4,649.7
U.S. Shoe Corp.	3,234.3	1,049.4
Bass	2,586.7	987.3
Brown Group	2,301.7	2,344.7
Stride Rite	2,178.7	337.0
Timberland	2,068.3	2,410.7
Cole-Haan Shoes**	1,887.7	1,138.0
Dexter	1,708.2	1,749.8
Wolverine Worldwide	1,633.2	654.6
Bally	1,312.8	800.2
Interco	321.7	2,560.1

* Includes Rockport, Metaphors, and Weebok Casual shoes.
**Acquired by Nike in 1988. (r) revised

Source: Publisher's Information Bureau: Leading National Advertisers

NATIONAL ADVERTISING EXPENDITURES

Consumer Magazines (continued)

Selected Footwear Advertisers' Spending For Space in Consumer Magazines On Sport & Protective Footwear: 1988, 1989
(In thousands of dollars)

	Space Costs	
	1989	1988(r)
Nike	$13,191.5	$13,136.0
Reebok International, Ltd.*	9,882.6	6,768.2
Etonic/Tretorn	2,807.6	2,019.3
Converse	2,239.2	3,680.5
L.A. Gear	2,126.4	1,429.7
Adidas, U.S.A.	2,102.0	0.0
Keds	1,586.8	874.2
K-Swiss	1,230.9	918.2
New Balance	883.0	1,658.5
Pony	608.3	688.9
Fila	436.2	686.7
British Knights	425.0	744.4

* Includes Avia
(r) revised

Source: Publisher's Information Bureau: Leading National Advertisers

PRODUCTION IN THE U.S.

According to FIA, based on Census Bureau data, declines in production were reported for both nonrubber and rubber footwear types for the third quarter 1990, compared to the corresponding 1989 quarter. Third quarter 1990 unit production of nonrubber footwear softened to 50.8 million pairs, versus 55.3 million pairs made in America in the third quarter 1989. A 11% decline was reported in the production of footwear with fabric uppers and soles of rubber or plastic, and the production of rubber and plastic protective footwear fell 27.7%.

For the first nine months of 1990, compared to the same period of 1989, production of nonrubber footwear fell 11%. However, increases of 5.2% and 6.1% were reported in the production of rubber/fabric footwear and rubber and plastic protective footwear.

A comparison of production in 1989 vs. 1988, as reported by the Census Bureau, shows decreases in pairs of most shoe types. Units of nonrubber shoes fell 4.4% overall, with men's styles down 4.8%, and women's styles down 8.2%. Athletic shoes also fell 1%. Rubber/plastic footwear production remained flat.

According to the International Trade Commission, about 56% of nonrubber footwear was produced with leather uppers, unchanged from 1988. The higher prices of cattlehide and leather did not affect the proportion of footwear produced with leather, as about 95% of men's, 64% of women's, and 50% of juvenile footwear were produced with leather uppers.

PRODUCTION IN THE U.S.

By Type of Footwear

The latest detailed information on footwear production by type is from the Census Bureau's 1989 annual Current Industrial Report.

U.S. Production of Footwear By Type: 1988, 1989
(Thousands of pairs)

	1989	1988	% Change 1989/1988
Footwear, total (non-rubber & rubber/plastic not including protective footwear)	301,386	311,528	- 3.3%
Non-rubber footwear, total	224,554	234,846	- 4.4
Shoes, except slippers	168,041	178,323	- 5.8
Men's (except athletic)	53,060	55,731	- 4.8
Dress & casual shoes	29,561	33,113	-10.7
Boots dress & casual	1,396	2,125	-34.3
Western style boots	7,389	6,311	17.1
Work oxfords	2,134	2,870	-25.6
Work shoes, ankle height or higher	12,580	11,312	11.2
Youths' & boys' (except athletic)	2,707	2,692	0.6
Women's (except athletic)	69,742	75,964	- 8.2
Sandals	3,949	4,047	- 2.4
Dress & casual, except sandals	61,625	67,998	- 9.4
Uniform duty shoes	523	1,125	-53.5
Boots, ankle height or higher	3,645	2,794	30.5
Misses' shoes and boots (except athletic)	3,878	3,251	19.3
Children's shoes and boots (except athletic)	6,310	6,710	- 6.0
Infants' & babies' shoes	13,814	15,143	- 8.8
Athletic shoes	15,267	15,422	- 1.0
All other non-rubber footwear (ballet slippers, etc.)	3,263	3,410	- 4.3
Slippers	56,513	56,523	*
Men's	5,907	6,200	- 4.7
Women's	47,487	46,792	1.5
All Other	3,119	3,531	-11.7
Shoes with rubber or plastic soles/ fabric uppers, total	76,832	76,682	0.2
Fabric upper:			
Espadrilles	(D)	(D)	--
Cement process	3,039	4,724	-35.7
Vulcanized	(D)	(D)	--
Injection molded	36,353	37,491	- 3.0
All other	(D)	(D)	--

(D) Data withheld to avoid disclosure for individual companies.
*less than 0.1%

(continued)

PRODUCTION IN THE U.S.

By Type of Footwear (continued)

U.S. Production of Rubber & Plastic Protective Footwear: 1988, 1989
(Thousands of pairs)

	1989	1988	% Change 1989/88
Protective footwear, total	13,693	13,785	- 0.7%
Rubber upper protective footwear	8,792	8,671	1.4
Boots	3,164	2,984	6.0
Lumberman & pacs	1,647	1,520	8.4
Arctics & gaiters	1,413	1,543	- 8.4
Light & heavy rubbers	2,568	2,624	- 2.1
Plastic upper protective footwear:			
Slush molded	(D)	2,207	--
Injection molded	1,281	2,084	-38.5
Fabric upper protective footwear, rubber/plastic sole	(D)	(D)	--

(D) Data withheld to avoid disclosure for individual companies

Source: U.S. Bureau of the Census:
Current Industrial Reports, MA31A (1989)

By Shoe Construction

Footwear Production by Type of Upper and Type of Sole: 1988, 1989
(In thousands of pairs)

	1989	1988	% Change 1989/88
Total	315,079	325,313	-3.1%
Rubber or plastic uppers & soles*	50,478	40,652	24.2
Waterproof	10,989	11,060	-0.6
Made with steel safety toes	1,334	1,517	-12.1
Boots, excl. steel safety toes	5,575	5,501	1.3
All other	4,080	4,042	0.9
Not waterproof	39,489	29,592	33.4
Athletic	15,707	13,482	16.5
Boots, excl. steel safety toes	1,583	1,263	25.3
All other	22,108	14,723	50.2
Leather uppers	110,464	126,360	-12.6
Athletic	7,814	7,812	0.03
Leather soles	34,197	36,281	- 5.7
Other soles	68,453	82,267	-16.8
Fabric uppers	121,687	125,133	- 2.8
Rubber or plastic soles	110,778	114,001	- 2.8
Athletic	55,123	59,485	- 7.3
All other	55,655	54,516	2.1
With all other soles	10,909	11,132	-2.0
Footwear not specified by type of material	32,450	33,168	-2.2

*including rubber or plastic coated fabric uppers.

PRODUCTION IN THE U.S.

Leading States

Missouri was the leading state in the unit production of nonrubber footwear in 1989, although volume dropped 7.2% compared to 1988, according to the U.S. Census Bureau. A decline of 6.3% pairs produced in Texas, the number two state, was also reported, while those produced in Maine increased 9.3%.

Production of Nonrubber Footwear
By State; 1988,1989
(thousands of pairs)

State	1989	1988	% Change 1989/88
U.S.	224,554	234,846	- 4.4%
Missouri	29,903	32,215	- 7.2%
Texas	24,906	26,582	- 6.3%
Maine	23,631	21,624	9.3%
Pennsylvania	21,366	24,519	-12.9%
North Carolina	18,053	17,120	5.5%
Tennessee	15,217	13,737	10.8%
Arkansas	10,553	9,668	9.2%

Source: U.S. Bureau of the Census
Current Industrial Reports (MA31A (1989))

PRODUCT SHIPMENTS

In contrast with the value of "Industry Shipments", which have been covered in the section on GENERAL INDUSTRY STATISTICS, product shipments cover the value of footwear made by all manufacturing establishments with payroll, including those classified in the footwear industry (primary producers) and those classified in other industries (secondary producers).

The most comprehensive information on the quantity and value of shipments is contained in the Census Bureau reports on the complete Census of Manufactures taken every five years (the lastest covering 1987). Comparable figures for intercensal periods are compiled by the Census Bureau through annual surveys among a sample of manufacturers in the U.S.

PRODUCT SHIPMENTS

Footwear shipments for census years 1987 and 1982 are compared in the following table.

Quantity & Value of Shipments of Non-rubber Footwear By All U.S. Producers: 1982, 1987

(Quantity in millions of pairs, value in millions of dollars)

	No. of Companies With Shipments of $100,000 or More		Product Shipments (All Producers)			
			Quantity		Value**	
	1987	1982	1987	1982	1987	1982
Non-rubber footwear, total	--	--	--	--	$3,862.3	$4,952.3
Houseslippers	na	na	nr	nr	205.3	265.3
Except slipper socks	26	36	50.5	64.2	190.3	240.3
Slipper socks made from purchased socks	7	2	nr	(D)	10.4	(D)
Type not specified	na	na	nr	nr	4.6	(D)
Other non-rubber footwear, except athletic	--	--	--	--	3,657.0	4,687.0
Men's total	na	na	nr	nr	1,833.5	1,971.2
Men's (size 6 & larger)	92	na	64.4	81.4	1,816.9	1,966.1
Men's, type not specified	na	na	nr	nr	16.6	5.1
Women's, total	na	na	nr	nr	1,374.4	1,994.1
Women's (size 4 & larger)	124	na	83.0	139.9	1,363.6	1,984.3
Women's type not specified	na	na	nr	nr	10.8	9.8
Footwear except rubber n.e.c. (SIC 3149)	na	na	nr	nr	449.1	721.7
Athletic, except rubber sole/fabric upper (size 4 & larger)	28	30	10.2	16.6	146.3	219.3
Other*	55	na	37.2	54.0	277.8	462.7
Type not specified	na	na	nr	nr	25.0	39.7
Rubber & plastics footwear (SIC 3021)	na	na	nr	nr	519.6	662.6
Protective footwear	10	14	nr	nr	114.0	121.8
Rubber & plastics footwear, n.s.k.	na	na	nr	nr	18.1	4.7

nr not reported
na not available
n.s.k. not specified by kind
(D) Withheld to avoid disclosure of data for individual companies. Data is included in higher level totals.
* Includes non-rubber footwear for youths and boys, misses, children and infants.
** f.o.b. plant

Source: U.S. Bureau of the Census:
1987 Census of Manufactures
(Industry Series) MC87-1-31A and MC87-1-30A

PRODUCT SHIPMENTS

The Census Bureau's annual Current Industrial Report covers 1988 and 1989 footwear product shipments, developed through mail surveys among all known U.S. manufacturers and jobbers, except very small firms (usually fewer than five employees).

The value of U.S. manufacturers' shipments of footwear of all types in 1989, registered a 5% increase over 1988, while the quantity shipped declined 3.8%.

Quantity & Value of Shipments of Footwear By All Producers: 1988, 1989 By Type of Footwear

	Pairs (thous.)		% Change	Value (mil. $)		% Change
	1989	1988	1989/88	1989	1988	1989/88
Footwear, total	243,091	252,716	-3.8%	$3,967.0	$3,777.7	5.0%
Nonrubber footwear	229,583	239,529	-4.2	3,823.5	3,633.7	5.2
Shoes	172,663	180,245	-4.2	3,558.2	3,403.7	4.5
Men's (except athletic)	53,398	56,430	-5.4	1,872.5	1,763.1	6.2
Dress & casual	28,881	32,707	-11.7	836.5	826.3	1.2
Boots, dress & casual, excl. western style	1,361	2,004	-32.1	54.4	85.0	-36.0
Western style Boots	7,104	6,369	11.5	411.4	329.2	25.0
Work oxfords	2,353	3,014	-21.9	70.7	86.9	-18.6
Workshoes (ankle height or higher)	13,699	12,336	11.0	499.5	435.7	14.6
Youths' & boys' (excl. athletic)	2,362	2,554	-7.5	22.2	25.9	-14.3
Women's (excl. athletic)	73,521	77,438	-5.1	1,280.1	1,247.2	2.6
Sandals	3,813	3,888	-1.9	56.0	58.3	-3.9
Dress & casual (excl. sandals)	65,593	69,673	-5.9	1,064.1	1,066.0	-0.2
Uniform Duty Shoes	526	1,121	-53.1	10.7	17.6	-39.2
Boots (ankle height or higher)	3,589	2,756	30.2	149.2	105.3	41.7
Misses' shoes & boots (excl. athletic)	3,354	2,894	15.9	27.4	25.1	9.2
Children's shoes & boots (excl. athletic)	6,285	6,981	-10.0	72.4	80.1	-9.6
Infants' & babies' shoes	14,908	15,292	-2.5	79.2	83.9	-5.6
Athletic footwear	15,421	15,387	0.2	171.3	153.8	11.4
All other shoes (ballet, theatrical, etc.)	3,414	3,269	4.4	33.0	24.7	33.6
Slippers	56,920	59,284	-4.0	265.3	229.9	15.4
Men's	5,966	6,440	-7.4	41.5	39.0	6.4
Women's	47,685	48,882	-2.4	211.6	180.4	17.3
All other	3,269	3,962	-17.5	12.1	10.6	14.2
Rubber & plastic footwear	13,508	13,187	2.4	143.5	144.0	-0.3
Rubber upper protective	3,141	2,896	8.5	40.3	42.4	-5.0

Source: U.S. Bureau of the Census:
Current Industrial Reports, MA31A (1989)

PRODUCT SHIPMENTS

Quantity and Value of Shipments of Shoes
With Rubber or Plastic Soles/Fabric Uppers, 1988,1989

	Pairs (thous.)			Value (mil. $)		
	1989	1988	% change 1989/88	1989	1988	% change 1989/88
Total	74,007	75,682	-2.2%	$417.1	$407.7	2.3%
Fabric upper:						
espadrilles	(D)	(D)	--	(D)	(D)	--
cement process	3,194	4,643	-31.2	88.1	99.7	-11.7
vulcanized	(D)	(D)	--	(D)	(D)	--
injection molded	36,069	34,972	3.1	141.7	121.8	16.3
all other	(D)	(D)	--	(D)	(D)	--

(D) Withheld to avoid disclosure of individual company data.

Source: U.S. Bureau of the Census:
Current Industrial Reports MA31A (1989)

PRICE TRENDS

Producer (U.S. Factory) Prices

In September 1990, U.S. factory prices for non-rubber footwear were 3.3% higher than September of 1989, with the sharpest rise noted for children's footwear (+5.4%). Sole leather prices fell 7.7%, when comparing December 1988 to December 1989, reversing the rising price trend of the prior 12 month period.

Summary of Producer Price Indexes: September 1990, December 1989
(1982=100)

	Sole Leather	Upper Leather	Non-rubber Footwear Total	Men's	Women's	Children's	Rubber/ Plastic Footwear
Sept. 1990	173.2	162.6	126.3	133.1	119.7	131.9	120.3
Dec. 1989	163.7	160.8	123.1	129.0	116.8	128.0	120.7
% Change:							
Sept. 1990/89	2.4%	0.8%	3.3%	3.8%	3.1%	5.4%	-0.2%
Dec. 1989/88	-7.7%	5.7%	5.0%	5.2%	3.4%	9.3%	3.9%

U.S. producer price indexes for specific types of footwear are shown below. When comparing September 1989 to September 1990, the largest price increases were noted in men's house slippers (+8.2%), women's leather-upper dress shoes (+5.6%), and women's plastic-upper casual shoes (+5.5%). Athletic footwear prices rose only a slight 0.8% when comparing September 1989 to September 1990.

PRICE TRENDS

Producer (U.S. Factory) Prices

Producer (Factory) Prices For Specific Types of Footwear
(1982=100, unless otherwise indicated)

	Seasonally Unadjusted Indexes			Percent Change Sept. 1990 from	
	Annual Average 1989	Dec. 1989	Sept. 1990	Sept. 1989	Aug. 1990
Footwear, non-rubber	120.8	123.1	126.3	3.3%	0.4%
Men's footwear	126.5	129.0	133.1	3.8	0.2
Men's leather upper footwear	127.9	130.5	135.1	4.2	0.1
Dress & casual shoes	127.5	131.0	135.7	3.6	0.5
Boots	119.0	122.7	127.0	6.0	-0.3
Work shoes or boots	134.0	135.9	138.7	3.5	-0.1
Houseslippers, except slipper socks*	138.6	140.9	152.4	8.2	nr
Men's non-leather upper footwear	114.2	115.2	116.1	1.4	0.0
Plastic upper footwear	114.4	115.4	116.3	1.4	0.0
Men's other upper dress & casual shoes**	99.6	99.9	98.8	-1.1	0.6
Women's footwear	114.8	116.8	119.7	3.1	0.8
Women's leather upper footwear	116.2	118.7	121.5	3.0	0.2
Dress shoes	113.2	115.6	119.6	5.6	0.3
Casual shoes	128.3	131.6	132.5	1.1	0.0
Slippers (except slipper socks)*	161.2	163.2	164.8	1.0	0.0
Sandals	80.1	83.0	nr	nr	nr
Boots	108.4	108.4	nr	nr	nr
Women's plastic upper footwear	110.0	112.5	113.4	3.1	0.1
Dress shoes	102.6	101.7	103.0	0.0	-0.2
Casual shoes	110.1	114.7	114.0	5.5	0.0
Other non-leather upper footwear	126.9	126.5	134.0	3.7	4.7
Casual shoes	107.5	112.6	113.7	2.6	-1.5
Slippers (except slipper socks)*	119.2	116.0	123.0	0.5	12.1
Children's footwear (Sizes 8 1/2 - 12)	123.5	128.0	131.9	5.4	0.3
Leather upper footwear	129.7	136.0	140.4	7.1	0.0
Misses' footwear (Sizes 12 1/2 - 2 1/2)	117.9	116.4	120.0	-0.1	0.0
Leather upper footwear	119.7	117.0	117.0	-4.7	0.0
Youths', boys' footwear (Sizes 12 1/2 - 6)	126.0	128.9	128.9	0.6	0.0
Infants', babies footwear (Sizes 1 - 8)	122.6	125.8	128.2	3.6	-0.4
Leather upper footwear	126.3	130.5	133.4	4.4	-0.6
Non-leather upper footwear	117.6	117.6	118.2	0.5	0.5
Athletic footwear	122.0	123.1	124.1	0.8	0.0
Footwear rubber/plastics	119.7	120.7	120.3	-0.2	-0.5
Protective footwear	124.5	125.9	131.0	4.9	1.6
Non-protective footwear, fabric upper***	107.9	108.8	107.4	-1.3	-0.9

*Base period June 1985=100 **Base period June 1983=100
***Base period Dec. 1986=100

Source: U.S. Department of Labor: Bureau of Labor Statistics
(Commodity Groupings & Individual Items)

PRICE TRENDS

Import Prices

The Bureau of Labor Statistics compiles indexes on prices of imported footwear, including cost, insurance, freight (c.i.f.). During the 12-month period ended September 1990, footwear import prices were up 8.7%, compared with an increase of 0.5% in the prior 12-month period. In order to remedy the problem of rising manufacturing costs, many foreign producers have shifted production to countries with cheaper labor.

Trends in Footwear Import Price Indexes

	Index (1985=100)		Percent Change				
			Annual	Quarterly			
	June 1990	Sept. 1990	Sept. 89/ Sept. 90	Sept. 89/ Dec. 89	Dec. 89/ Mar. 90	Mar. 90/ June 89	June 90/ Sept. 90
Footwear	137.6	140.0	8.7%	1.6%	3.7%	1.4%	1.7%
Athletic	123.1	123.1	0.6	-0.3	0.1	0.8	0.0
Rubber & plastic	107.0	107.0	5.4	3.0	1.9	0.5	0.0
Leather	141.2	145.4	13.1	2.0	5.6	1.9	3.0

Source: U.S. Department of Labor:
Bureau of Labor Statistics

MARKET SUPPLY

Included in the Current Industrial Reports on footwear is an overview of the supply of footwear in the U.S. from 1975 to 1989. In this period, total annual new supply or apparent consumption (derived by subtracting exports from total production plus imports) increased to 933.1 million pairs, from 727.9 million pairs--a gain of 28.2%. In comparing 1989 with 1988, however, new supply fell 17.3%, while U.S. production dropped 4.5%, and both exports and imports declined 35% and 21.2%, respectively.

Nonrubber Footwear Supply in the U.S.
Selected Years, 1975-1989
(Millions of pairs)

Year	Domestic Production	Exports	Imports	Total New Supply*
1989	224.6	20.4	728.9	933.1
1988	235.1	31.4	925.1	1,128.8
1987	230.0	21.0	937.5	1,146.5
1986	240.9	12.5	940.4	1,168.7
1985	265.1	11.3	842.6	1,096.4
1980	386.3	12.8	361.0	734.5
1977	418.4	5.4	360.0	773.0
1975	413.1	4.6	319.4	727.9

*Also referred to as "Apparent Consumption" in published reports.

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA31A)

MARKET SUPPLY

A summary of new market supply with more detail on components, and import values which include U.S. import duties as well as cost, insurance and freight, is published by the Census Bureau, and available now for 1989.

Summary of Production, Exports, Imports & Apparent Consumption (New Supply) of Footwear: 1989

	Total Footwear	Shoes & Slippers	Footwear with Rubber/ Plastic Sole, Fabric Uppers	Rubber/ Plastic Protective Footwear
Quantity (mils. of pairs)				
Manufacturers' shipments	317,098	229,583	74,007	13,508
Exports	24,076	20,355	2,998	723
% Exports to domestic prod.	7.6%	8.9%	4.1%	5.4%
Imports for consumption	1,106,348	728,946	335,645	41,757
Apparent consumption##	1,399,370	938,174	406,654	54,542
Imports % of consumption	79.1%	77.7%	82.5%	76.6%
Value (mils. of $)*				
Shipments, f.o.b. plant	$4,384.1	$3,823.5	$417.1	$143.5
Exports**	$240.1	$220.0	$16.1	$4.0
% Exports to domestic prod.	5.5%	5.8%	3.9%	2.8%
Imports for consumption#	12,691.9	10,285.0	2,000.8	406.1
Imports % of consumption	67.3%	65.0%	80.0%	65.6%

* represents shipments
** Source: U.S. Census Bureau EM 522, U.S. Exports
# Represents the c.i.f. (cost, insurance, and freight) value at first port of entry.
## Derived by subtracting exports from total production plus imports

Source: U.S. Bureau of the Census:
Current Industrial Reports,
Footwear MA31A(89)

FOREIGN TRADE

Imports

According to data compiled by FIA, based on Commerce Department figures, 690 million pairs of nonrubber footwear, valued at $6.3 billion, were imported into the U.S. in the first nine months of 1990, marking a 5.5% improvement in quantity and a 14.2% increase in value over the prior year.

Import pairage of rubber/fabric footwear increased 10.2%, to 162 million, when comparing the first nine months of 1990 to the same 1989 period.

Imports (continued)

Combined imports of both nonrubber and rubber/fabric footwear to the U.S. totaled 852 million pairs during the first nine months of 1990, a 6.4% improvement over the comparable 1989 period.

For the full year 1989, shoe imports were classified under the Harmonized Tariff Schedule of the United States. Under this new system, U.S. trade statistics are comparable to those of other countries using this system. This conversion, however, has resulted in many changes in the classification of certain footwear products, as some previously categorized as nonrubber now fall within the rubber category. In addition, shoe types now are separated by upper material. As a result, direct comparisons of import levels between 1989 and preceding years were not made in the chart below.

Import pairage dipped 1.9% to about 1.1 billion pairs in 1989 after flat import unit volume in 1988 and 1987, according to the Census Bureau. The value of these imports reached about $7.8 billion in 1989, 2.8% less than in 1988. In contrast, value grew 10.9% in 1988 compared with 1987.

The greatest volume of shoes imported in 1989 were those composed of leather uppers with soles of either a rubber/plastic or rubber/plastic/leather combination. Units of this type amounted to 404.6 million pairs, or 37.9% of the total. Value was also highest in this category at $468.7 billion, or 57.5% of the total 1989 import dollars.

Import values below are defined as Customs value, or the price actually paid by the customer, not including freight, insurance, duties, etc.

Quantity and Value of U.S. Footwear Imports: 1989
(Quantity in thous. of pairs; value in thous. of dollars)

	1989 Pairs (000)	% of Total	Value ($000)	% Of Total	Avg Value Per Pair
Grand total	1,066,789.6	100.0%	$7,768,604.0	100.0%	$7.28
Rubber/Plastic Uppers & Outer Soles, total	344,133.9	32.3	1,583,279.8	20.4	4.60
Sports footwear	43,493.0	4.1	353,317.0	4.5	8.12
Men's, Youth's, Boys'	5,252.9	0.5	49,753.1	0.6	9.47
Women's, Children's, & Infants	3,288.2	0.3	18,269.6	0.2	5.56
Ski	1,686.7	0.2	94,032.2	1.2	55.75
Other	33,265.1	3.1	191,262.1	2.5	5.75
Protective or Waterproof	43,577.2	4.1	290,348.0	3.7	6.66
Wood or Cork	112.8	0.01	354.6	0.004	3.14
Zoris	22,363.8	2.1	10,027.9	0.1	0.45
House Slippers	7,267.7	0.7	10,291.6	0.1	1.42
All Others	227,319.4	21.3	918,940.8	11.8	4.04

(continued)

Imports (continued)

Quantity and Value of U.S. Footwear Imports: 1989

(Quantity in thous. of pairs; value in thousands of dollars)

	1989 Pairs (000)	% of Total	Value ($000)	% Of Total	Avg Value Per Pair
Leather Uppers & Soles, total	55,217.7	5.2	$983,487.9	12.7	17.81
Men's	20,262.8	1.9	386,554.9	5.0	19.08
Women's	27,017.7	2.5	449,626.6	5.8	16.64
Youth's & Boys'	679.6	0.06	7,677.5	0.1	11.30
Misses', Children's, Infants'	6,731.3	0.6	136,785.2	1.8	20.32
All Others	526.2	0.05	2,843.7	0.04	5.40
Leather Uppers & Rubber/Plas/Leather Soles, total	404,561.8	37.9	4,468,706.2	57.5	11.05
Sports footwear	134,860.9	12.6	1,608,230.4	20.7	11.93
Men's, Youth's, Boys'	89,232.1	8.4	1,237,947.2	15.9	13.87
Women's, Misses'	37,779.2	3.5	423,537.8	5.5	11.21
Children's & Infants'	7,849.7	0.7	65,132.9	0.8	8.30
Ski	208.8	0.02	4,172.0	0.05	19.98
Work	4,261.8	0.4	58,415.0	0.8	13.71
Protective	3,372.4	0.3	58,526.6	0.8	17.35
Wood	183.0	0.02	1,927.0	0.02	10.53
House Slippers	685.4	0.06	2,512.6	0.03	3.67
All Others					
Men's, Youth's, Boys'	40,933.0	3.8	554,237.4	7.1	13.54
Women's, Children's, Infants'	218,270.9	20.5	2,046,521.9	26.3	9.38
Other	1,785.5	0.2	15,755.8	0.2	8.84
Textile Uppers & Rubber/Plastic Soles, total	229,041.0	21.5	618,737.1	8.0	2.70
Sports footwear	77,813.0	7.3	281,929.8	3.6	3.62
Men's, Youth's, Boys'	27,508.7	2.6	116,330.8	1.5	4.23
Women's, Children's, Infants'	14,090.6	1.3	103,150.8	1.3	7.32
Other	36,213.7	3.4	62,448.3	0.8	1.72
Protective	663.1	0.06	5,594.8	0.07	8.44
House Slippers	15,065.6	1.4	31,494.0	0.4	2.09
All Other					
Men's, Youth's, Boys'	18,117.3	1.7	56,334.3	0.7	3.11
Women's, Children's, Infants'	96,731.2	9.1	200,275.0	2.6	2.07
Other	20,650.9	1.9	43,109.1	0.6	2.09
Textile Uppers- All Others, total (Including Vegetable Fibers, leather Soles, etc.)	33,835.2	3.2	114,392.6	1.5	3.38
Men's	1,692.6	0.2	7,077.0	0.09	4.18
Women's	18,349.7	1.7	93,425.2	1.2	5.09
Other Than Men's and Women's	13,792.9	1.3	13,890.4	0.2	1.01

Source: Market Research Department, Fairchild Publications
Based on U.S. Bureau of the Census IM 146 reports

FOREIGN TRADE

Imports (continued)

China has emerged as the leading source of nonrubber footwear to the U.S. for the first nine months of 1990, surpassing Taiwan and Korea, according to FIA, based on Census Bureau data. China increased its export pairage to the U.S. 88.1% during the first nine months of 1990 compared to the same 1989 period, while Taiwan fell 34.7% and Korea fell 3.2%.

As labor costs continued to rise in Taiwan and Korea, they have lost share of the U.S. import market to China, Thailand, Indonesia, and other countries that are able to produce shoes at a lower cost.

Trade officials predict that India will become a major footwear exporter in the next five years, according to Footwear News. The U.S. purchased nearly 75% of India's shoe exports in 1989. During the April 1989-March 1990 period, the U.S. purchased about 2 million pairs of leather footwear valued at $27 million dollars from India.

With political changes occurring in Eastern Europe, exports of low-end shoes to the U.S. may rise. This increase, however, may be at the expense of other low-end vendors.

Leading Sources of Non-rubber Footwear Imports: 1989
(Quantity in millions of pairs, value in millions of $)

	Pairs			Customs Value			
	Pairs (Mil.)	Share of Total	% Change 1989/88	Value (Mil. $)	Share of Total	Avg. Value Per Pair	% Change 1989/88
Total+	860.4	100.0%	-4.7%	$7,438.4	100.0%	$ 8.64	3.3%
All Other	32.0	3.7	-0.2	432.6	5.8	13.50	8.8
Subtotal Top 12 Countries	828.3	96.3	-9.2	7,005.8	94.2	8.46	-2.8
Taiwan	262.1	30.5	-24.2	1,825.3	24.5	6.96	-19.1
Republic of Korea	172.8	20.1	-10.1	1,946.4	26.2	11.26	-6.5
China	143.5	16.7	67.6	562.7	7.6	3.92	126.4
Brazil	112.8	13.1	0.0	1,003.6	13.5	8.89	5.6
Italy	41.7	4.8	- 6.1	797.7	10.7	19.10	-3.3
Spain	22.6	2.6	- 1.7	334.9	4.5	14.80	-6.0
Thailand	20.6	2.4	32.9	161.3	2.2	7.82	61.1
Indonesia	12.1	1.4	248.5	81.1	1.1	6.72	273.1
Hong Kong	16.8	2.0	-28.2	110.5	1.5	6.57	-19.9
Mexico	9.3	1.1	5.4	76.7	1.0	8.27	4.4
Philippines	8.6	1.0	-12.0	35.1	0.5	4.06	2.8
Yugoslavia	5.4	0.6	- 6.1	70.5	0.9	12.97	-0.6

+ Excludes disposable footwear and parts

Source: U.S. Department of Commerce
and International Trade Commission

FOREIGN TRADE

Exports

13.8 million pairs of nonrubber footwear were exported from the U.S. during the first nine months of 1990, a 21.8% increase over the same 1989 period. 7.6 million pairs of rubber/fabric footwear were exported, a 1.8% increase over 1989. Combined U.S. exports of nonrubber and rubber/fabric footwear increased 13.9% in the first nine months of 1990 compared to 1989.

Information on U.S. exports of footwear by country of destination has not yet been released for the third quarter of 1990. However, for the first half of 1990, FIA reports that Mexico was the primary recipient of U.S. exports of nonrubber footwear. Canada was the second largest market, accounting for 12.4% or 960,000 pairs.

U.S. exports of both rubber and nonrubber footwear were valued at $247 million in 1989, according to the Department of Commerce, as noted below. Again, direct comparisons to prior years were not made due to the reclassification of footwear under the new Harmonized Schedule. However, the U.S. Industrial Outlook estimates that in 1989, the value of U.S. nonrubber footwear declined about 23% from 1988 while combined exports of rubber and nonrubber footwear were down an even larger 26%.

Export values below are defined as f.a.s. value, U.S. port of export, which excludes the cost of freight, insurance, and any charges or transportation costs beyond the port of exportation.

Value of U.S. Footwear Exports: 1989
(Value in thousands of dollars)

	1989 Value	Primary Destination
Footwear exports, total (excl. parts)	$249,099	
Including footwear parts	368,673	
Footwear, incorporating a protective metal toe cap, not including sports footwear, total	4,750	
Waterproof footwear, outersoles/uprs rub/plas	1,481	na
Footwear metal TC, sole & uprs rub/plas nes	689	na
Footwear metal TC, sole rub/plas/leather uprs leather	2,580	na
Sports footwear, total	65,337	
Ski-boots, cross-cty ftwr, outer sole & uppers rub/plas	769	France (37.1%)
Ski-boots, cross-cty ftwr, outer sole rub/plas/leather, uprs leather	117	na
Sports footwear, outer sole & uprs rub/plas nes	1,691	na
Sports footwear, outer sole rub/plas/leather nes	25,718	Japan (27.2%) Italy (8.1%)
Tennis, basketball, etc. shoes outer sole rub/plas	37,042	Mexico (38.2%) Japan (19.0%)
Footwear nes, with outer sole & uprs rub/plas, total	15,489	
Footwear nes, upper not fixed to sole by stitch	1,810	
Footwear nes, outer sole & uprs of rub/plas nes	13,679	Mexico (87.6%) Japan (54.4%)

FOREIGN TRADE

Exports (continued)

Value of U.S. Footwear Exports: 1989
(Value in thousands of dollars)

	1989 Value	Primary Destination
Footwear nes, with uprs leather or composition leather, total	120,292	
Footwear, outer sole leather, leather strap upr, etc	2,932	Japan (43.5%)
Footwear, wood base no inner sole or pro metal toe cap	1,039	na
Footwear nes, outer sole lea, uprs lea, etc.	107,348	Canada (17.2%)
Footwear uprs leather, comp leather nes	8,973	Japan (17.5%)
Footwear nes uprs textile	35,209	
Footwear nes outer sole rub/plas, upr tex	24,453	Japan (25.0%) U.K. (11.8%)
Footwear nes outer sole lea/ comp lea, uprs textile materials	5,287	Dom Rep (27.7%)
Footwear, uprs tex materials nes	5,463	Mexico (40.8%)
Footwear, nes	6,022	na
Parts of footwear; removable in-soles, heel cushions and similar articles; gaiters, leggings and parts thereof	121,574	Mexico (30.0%) Dom Rep (25.0%)

na not available nes not elsewhere classified

Source: U.S. Department of Commerce, Bureau of the Census
U.S. Merchandise Trade: Exports, General Imports, and Imports for Consumption FT925

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

Demographic shifts and changing American lifestyles are strong factors affecting the footwear industry. As a result of current trends, sales of casual and sport-type footwear are expected to take the lead over all other shoe categories throughout the 1990's, according to industry sources.

One factor contributing to the growth in popularity of casual/sport-type shoes during the next decade is the aging of the population. As Baby Boomers (approximately 77 million) confront middle age, a shifting to low-impact sports (such as golf, cycling and walking) is anticipated. Along with this, increased sales of comfortable casual shoes for walking and workwear are expected. Americans are also participating in more outdoor activities, resulting in increased purchases of athletic footwear and casual shoes.

Population Projections: 1990, 2000, 2010

(Middle Series*)

(Number in thousands; Includes Armed Forces Overseas)

	Number (Thousands)			% Change	Percent Distribution		
	1990(p)	2000	2010	2010/1990	1990	2000	2010
MALE							
Total, all ages	122,243	131,191	138,333	13.2%	100.0%	100.0%	100.0%
Under 5 years	9,426	8,661	8,668	- 8.0	7.7	6.6	6.3
5 to 9 years	9,408	9,288	8,687	- 7.7	7.7	7.1	6.3
10 to 15 years	10,576	11,849	10.955	3.6	8.6	9.0	7.9
16 years & over	92,834	101,392	110,024	18.5	75.9	77.3	79.5
16 - 19	7,182	7,771	7,753	7.9	5.9	5.9	5.6
20 - 34	31,505	27,551	28,709	- 8.9	25.8	21.0	20.7
35 - 54	31,191	40,241	40,018	28.3	25.5	30.7	28.9
55 - 64	10,103	11,557	17,173	70.0	8.3	8.8	12.4
65 & over	12,853	14,273	16,372	27.4	10.5	10.9	11.8
85 & over	918	1,322	1,791	95.1	0.7	1.0	1.3
Median age (years)	31.9	35.2	37.5	17.5	--	--	--
FEMALE							
Total, all ages	128,167	137,076	144,241	12.5	100.0%	100.0%	100.0%
Under 5 years	8,982	8,237	8,231	- 8.4	7.0	6.0	5.7
5 to 9 years	8,971	8,837	8,235	- 8.0	7.0	6.4	5.7
10 to 15 years	10,059	11,259	10,391	3.3	7.8	8.2	7.2
16 years & over	100,155	108,742	117,366	17.2	78.1	79.3	81.4
16 - 19	6,886	7,440	7,410	7.6	5.4	5.4	5.1
20 - 34	31,110	27,198	28,316	- 9.0	24.3	19.8	19.6
35 - 54	32,193	40,893	40,391	25.5	25.1	29.8	28.0
55 - 64	11,260	12,601	18,257	62.1	8.8	9.2	12.7
65 & over	18,706	20,608	22,991	22.9	14.6	15.0	15.9
85 & over	2,336	3,300	4,324	85.1	1.8	2.4	3.0
Median age (years)	34.1	37.6	40.3	18.2	--	--	--
Total population:							
Median age (years)	33.0	36.4	39.0	18.2	--	--	--

* The median is the middle of a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels, none of which can be forecasted exactly. Figures include Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.

Source: U.S. Bureau of the Census: Current Population Reports, Population Projections of the U.S. by Age, Sex and Race, 1988 to 2080 (Series P-25, No. 1018)

RETAIL TRADE

Consumer Expenditures

The Bureau of Economic Analysis, U.S. Department of Commerce, traces the flow of goods and services from source through to the consumer, and reports the supply in terms of a retail value representing personal consumption expenditures. The procedure yields figures higher than sales through retail outlets since it values all goods reaching the consumer, including through other than retail outlets.

Consumer Expenditures (continued)

Personal consumption expenditures are reported by the BEA in current dollars and in constant (1982) dollars.

Personal Consumption Expenditures for Footwear: 1986-1989
(Millions of dollars)

	1989(r)	1988(r)	1987(r)	1986(r)	% Change 1988/89
Current $	$29,785	$27,531	$25,884	$24,302	8.2%
Constant (1982 $)	$25,834	$24,838	$24,440	$23,665	4.0%

(r) revised

Source: U.S. Department of Commerce: -
Bureau of Economic Analysis

The Bureau of Labor Statistics, Department of Labor, conducts an on-going consumer expenditure survey covering a national probability sample of U.S. households representing the total civilian non-institutional population of the U.S. The primary objective is to provide information on consumer spending patterns to be used as a basis for revising the Consumer Price Index, as well as to provide information not otherwise available to marketers on household spending in terms of demographic characteristics.

Information on purchases of footwear has been developed and published for the year 1988, projectable to 94,862,000 consumer units in the U.S. - roughly equivalent to U.S. household counts (the term household is used in connection with the figures reported below).

In 1988, expenditures for footwear averaged $195.67 per household, a 51% improvement over the figure reported in the 1987 survey. The largest percent growth between 1987 and 1988 occurred in the Midwest. In 1988, the highest expenditures for footwear were in the West followed by the Midwest. Expenditures in the Northeast and South fell below the average reported for all regions.

Pattern in Household Expenditures For Footwear, By Regions: 1988

	All U.S.	Households in the--			
	Households	Northeast	Midwest	South	West
Total number of households(thous.)	94,150	19,731	23,966	31,303	19,151
Percent of total households	100.0%	21.0%	25.5%	33.2%	20.3%
Footwear expenditures per household:					
Mean expenditure*	$195.67	$192.33	$200.87	$189.33	$203.06
Mens' footwear expend.*	66.00	69.31	62.20	59.51	78.00
Boys' footwear expend.*	16.89	17.20	17.29	15.70	18.03
Women's footwear expend.*	95.79	90.05	101.91	101.42	84.83
Girls' footwear expend.*	16.99	15.78	19.48	12.70	22.20

* Expenditures are the average (mean) reported for all households, including those with no spending for footwear in 1988 as well as households with footwear expenditures.

Source: U.S. Bureau of Labor Statistics:
1988 Consumer Expenditure Survey

RETAIL TRADE

Consumer Prices

The Bureau of Labor Statistics issues monthly consumer price indexes covering a full range of goods and services purchased by consumers. Prices for all footwear have increased 4.1% in 1989 compared to 1988. Of all the segments noted below, the highest price increase in 1989 occurred in the women's shoe category. This contrasts to 1988, when the women's segment exhibited the lowest percent change in price.

Consumer Price Index for all Urban Consumers
(1982-84=100)

	Oct. 1990	Annual 1989	Average 1988	Percent Change Oct. 90/ Oct. 89	Percent Change Annual Average 1989/88	Percent Change Annual Average 1988/87
All footwear	120.5	114.4	109.9	2.5%	4.1%	4.6%
Men's	125.1	120.3	116.2	3.0	3.5	5.9
Women's	115.5	109.0	104.5	2.2	4.3	3.5
Boys' and Girls'	122.4	115.5	111.1	2.3	4.0	5.2

Source: U.S. Bureau of Labor Statistics

Retail Outlets

According to an analysis by Footwear News on footwear retailers, total retail sales improved 13.0% in 1989 compared to 1988, while profits increased 73.1%. This increase, however, was largely attributable to apparel and specialty sales, rather than footwear. Edison Bros. Stores, for example, reported a 56.7% pickup in sales in its fiscal 1989, but footwear accounted for 44.6% of sales and only 17.3% of operating profits.

Leading Footwear Retailers' Operating Results
(Dollar figures in millions)

Company	Sales 1989	Sales % Change 89/88	Net Profit 1989	Net Profit % Change 89/88	Footwear's Contribution To Sales 1989	Footwear's Contribution To Sales 1988	Number of Shoe Stores 1989	Number of Shoe Stores 1988
Brown Group	$1,820.5	6.7%	$ 33.8	308.4%	88.3%	88.5%	3,649	3,809
Edison Bros. Stores	1,073.5	16.9	56.9	56.7	44.6	50.0	995	1,109
Genesco Inc.	492.2	6.4	18.9	24.5	72.7	73.0	628	635
J. Baker, Inc.	399.2	60.0	13.1	61.6	100.0	100.0	1,260	702
Weiner Enterprises	86.3	-2.1	(4.6)	na	66.7	65.3	114	112
Retailers, total	3,871.8	13.0	118.2	73.1	--	--	6,646	6,367

na not available

Source: Footwear News, (8/20/90)

Retail Outlets (continued)

Diversified Companies Operating Results
(Dollar figures in millions)

Company	Sales		Net Profit		Footwear's Contribution To Sales	
	1989	% Change 89/88	1989	% Change 89/88	1989	1988
Hanson PLC (Endicott Johnson)	$11,301.8	-5.4%	$1,778.1	-1.8%	na	na
May Dept. Stores (Volume Shoe)	9,425.0	12.2	498.0	-6.7	13.0%	13.5%
FW Woolworth (Kinney Shoe Corp.)	8,820.0	9.1	329.0	14.2	nr	nr
Melville Corp.	7,554.0	11.4	398.1	12.3	34.5%	31.8%
Interco	1,656.1	-17.7	35.2	-49.8	22.5%	24.1%
Diversified, total	38,756.8	4.1	3,038.4	-0.6	45.0%	45.5%

nr not released   na not applicable

Source: Footwear News, August 20, 1990

Retail Outlets: Shoe Stores

Monthly and annual figures for retail sales are compiled by the U.S. Bureau of the Census. Total shoe store sales for the first nine months of 1990 amounted to $12.6 billion, a 4.1% rise over sales for the same period in 1989. Sales estimates include leased shoe departments as separate shoe stores rather than being included in the sales of lessors. Sales for the full year 1989 vs. 1988 are noted below.

Shoe Store Sales: Selected Years 1988, 1989
(Millions of current dollars)

	1989	1988(r)	% Change 1989/88
Shoe stores, total	$16,778	$15,383	9.1%
Stores in chains of 11 or more stores	10,510	9,613	9.3

(r) revised

Source: U.S. Bureau of the Census:
Revised Monthly Sales and Inventories (BR89-R)

Monthly Pattern in Shoe Store Sales, 1988, 1989
(Percent of year's sales by months)

Year	Total	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1989	100.0%	6.5	5.8	8.7	8.2	8.5	8.3	7.5	9.6	8.6	8.0	8.7	11.6
1988	100.0%	6.3	6.0	9.0	8.2	8.2	7.8	7.5	9.3	8.6	8.2	8.6	12.3

Source: U.S. Bureau of the Census:
Revised Monthly Sales and Inventories (BR89-R)

Retail Outlets: Shoe Stores (continued)

The National Shoe Retailers Association (NSRA), Columbia, MD, compiles annual reports on shoe store operations. The report revealed that on average, footwear sales improved 5.6% in 1989, and in 1990 an 8.5% gain is expected. The NSRA also revealed that occupancy costs had the greatest negative impact on profits, and that stores that showed better-than-average profits had lower-than-average occupancy costs. Statistics from the report are included below.

Reporting Shoe Stores: Selected Operating Ratios By Store Type: 1989
(Average Per Store)

	Net Sales 1989	% Change In Sales 88/89	% Change In Sales 89/90(p)	Sales Per Sq Ft.	Initial Markup	Markdown	Stock Turnover
All Units	$414,007	5.6%	8.5%	$176	53.7%	21.3%	2.0
Men's	$656,940	6.8%	6.7%	$279	52.1%	15.2%	1.7
Women's	$330,204	5.5%	7.3%	$231	56.5%	28.7%	2.1
Children's	$300,017	5.2%	8.8%	$240	56.2%	17.2%	2.0
Family	$448,908	3.2%	6.5%	$122	51.1%	17.4%	2.2
Combination	$388,600	7.3%	10.8%	$152	53.3%	17.4%	1.8

(P) Projected

Reporting Shoe Store Expenses and Profits: 1989
(Percent of Net Sales)

	Gross Profit Margin	Net Profit Margin	Total Expenses	Occupancy* Costs	Utilities Costs
All Units 1989	43.9%	2.1%	43.0%	7.8%	1.2%
All Units 1987	44.6%	4.7%	41.0%	6.1%	1.0
Men's	44.8%	0.9%	44.6%	7.8%	1.1%
Women's	44.0%	2.0%	42.3%	11.9%	0.9%
Children's	48.7%	1.9%	47.7%	10.3%	1.0%
Family	42.5%	1.6%	41.9%	7.5%	1.4%
Combination	45.2%	3.6%	43.4%	7.1%	1.2%

*Occupancy costs include rent and all other charges by mall and building owners excluding utilities.

Source: National Shoe Retailers Association:
1990 Cost of Doing Business Report

The NSRA also reported good overall growth in computer usage for inventory/merchandise control in shoe stores. Multi-store companies, however, far surpassed single-store companies in usage rate.

Computers Used For Inventory Control

	1985	1987	1989
Companies with single stores	22%	26%	32%
Companies with 2-9 stores	41%	53%	52%
Companies with 10+ stores	75%	76%	88%

Source: National Shoe Retailers Association:
1990 Cost of Doing Business Report

RETAIL TRADE

Failures involving losses to creditors among shoe stores have been on a steady decline since 1984. There were 219 shoe store failures reported in 1989, 60 less than in 1988.

Shoe Store Failures & Liabilities: 1980-1989

Year	Number	Liabilities ($000)
1980	80	$ 51,330
1981	116	12,148
1982	153	70,170
1983	236	29,876
1984	347	50,621
1985	310	26,113
1986	336	32,707
1987	298	54,434
1988	279	26,292
1989	219	25,610

Source: Dun & Bradstreet, Inc.

Retail Outlets: Department Stores

Merchandising and operating results in the typical department store reporting to the National Retail Federation for the year 1988 are reported below. Shoe sales accounted for 5.8% of total department store sales in 1988, a slight increase from the 4.7% reported a year earlier.

Merchandising & Operating Results of Footwear In All Department Stores: 1988

(Median results)

	Total All Footwear Depts. (24*)	Women's, Misses' & Juniors' Footwear (23*)	Men's Footwear (9*)	Childrens' Footwear (13*)
Net sales, % change from last year	- 1.1%	+ 9.0%	+11.7%	+ 8.6%
Sales, % to total store sales	5.8%	4.1%	1.1%	0.3%
$ sales per square foot of selling space	$ 284.0	na	na	na
Cumulative markon, %	50.8%	51.7%	50.7%	48.1%
Gross margin, % of sales (incl. cash discounts)	41.0%	40.8%	42.6%	39.1%
Advertising, % of net sales	3.1%	na	na	na
Selling salaries, % of net sales	11.0%	na	na	na
Number of stock turns (times)	2.0	2.1	1.1	1.3

na not available

* Number in parenthesis refers to the number of companies reporting in each category.

Source: National Retail Federation
(formerly National Retail Merchants Association, NRMA)
Merchandising and Operating Results (1989 edition)

RETAIL SALES BY MERCHANDISE LINE: 1987 CENSUS OF RETAIL TRADE

Footwear and Footwear Accessories (ML code 260)

Through a complete census of all U.S. retail businesses, the Bureau of the Census, U.S. Department of Commerce, compiles data on broad merchandise line sales by type of retail outlet every five years (for years ending in 7 and 2). Census results for 1987 are currently being released by the Bureau covering data on store types and on sales by product in outlets with one or more paid employees and key findings are covered below.

Total retail sales of footwear (excluding infants' and toddlers', which are included in infants' wear sales), plus footwear accessories such as polish, laces, shoe trees, etc., reported for outlets with payroll in 1987 amounted to $22.7 billion. Retail outlets numbered 111,310 in 1987, down from 111,607 reported for 1982.

The 1987 sales total represented a gain of 33.6% over the $17.0 billion reported for 1982, on a current dollar basis, without adjustment for inflation. (The U.S. Bureau of Labor Statistics reported average consumer prices in 1987 compared with the 1982-1984 average for men's footwear rose 9.7%; boys'/girls', 5.6%; women's, 1.0% -- for an overall increase of 5.1%.)

General merchandise stores increased their sales share in the five year period while shoe stores - particularly women's footwear, lost sales share.

Footwear/Footwear Accessories Sales Share By Retail Outlet Type

	Establishments*		Sales		% of Sales		% Change
	1987	1982	1987	1982	1987	1982	1987/82
Footwear/footwear accessories, total	111,310	111,607	$22,732.4	$17,016.8	100.0	100.0	33.6%
Shoe stores, total	39,488	36,277	13,874.7	10,958.4	61.0	64.4	26.6
Family shoe stores	25,082	23,298	9,354.4	7,090.8	41.1	41.7	31.9
Men's shoe stores	3,866	4,153	1,206.0	1,075.2	5.3	6.3	2.2
Women's shoe stores	9,272	7,832	3,019.6	2,576.8	13.3	15.1	17.2
Children's/juveniles' shoe stores	1,268	994	294.7	215.7	1.3	1.3	- 5.1
General merchandise stores, total	24,100	22,703	5,284.3	3,301.3	23.2	19.4	60.1
Department stores**	6,577	5,290	4,502.5	2,685.6	19.8	15.8	67.6
Conventional	1,975	nr	2,268.6	nr	10.0	--	--
National Chain	1,791	nr	1,225.6	nr	4.4	--	--
Discount/Mass Merchdsng	2,811	nr	1,008.3	nr	5.4	--	--
Variety stores	8,780	9,377	294.3	310.3	1.3	1.8	- 5.2
Misc. general merchandise stores	8,743	8,036	487.4	305.4	2.1	1.8	59.6
Apparel/accessory specialty stores	22,598	21,166	1,901.7	1,586.8	8.4	9.3	19.8
Sporting goods stores	8,331	9,253	747.0	518.3	3.3	3.0	44.1
Catalog/mail order houses	2,907	3,201	616.4	312.3	2.7	1.8	97.4
Other retail outlets	13,926	19,007	308.3	339.6	1.4	2.1	- 9.2

* Covers retail outlets with payroll selling footwear and accessories. Each store location is separately counted.

**Leased shoe departments operating in department stores are not included, but are counted as separate shoe stores. For description of types of department stores, see page 47.

nr not reported

RETAIL SALES BY MERCHANDISE LINE: 1987 CENSUS OF RETAIL TRADE

Footwear and Footwear Accessories (ML code 260)

Out of $22.7 billion in retail sales of footwear and footwear accessory items reported for outlets with payroll in 1987, details on types of footwear sales for leading outlet types were reported with a sales value of $20.8 billion, or 91% of the total. Available specific information is noted in the following summary table.

Specified Merchandise Types

	Establishments*	Sales	% of lines Reported total
Estimated Grand Total		$20,793,928	--
Men's and boys' footwear*			
Estimated total	47,395	4,697,028	100.0%
Reporting store types:			
Shoe stores	28,254	3,120,207	66.4
Family shoe stores	22,715	1,975,055	42.0
Men's shoe stores	3,866	1,076,483	22.9
Women's shoe stores	1,518	66,686	1.4
Children's/juveniles' shoe stores	155	1,983	**
Department stores, total:	6,010	1,015,268	21.6
Conventional	1,520	299,755	6.4
National chain	1,790	465,513	9.9
Discount/mass merchandising	2,700(e)	250,000(e)	5.3
Apparel specialty stores, total	13,131	561,553	12.0
Family clothing stores	8,160	339,795	7.2
Men's clothing stores	4,221	204,644	4.4
Women's clothing stores	599	15,101	0.3
Children's wear stores	151	2,013	**
Women's and girls' footwear*			
Estimated total	53,527	$9,368,974	100.0%
Reporting store types:			
Shoe stores	32,729	6,181,182	66.0
Family shoe stores	22,692	3,406,030	36.4
Women's shoe stores	9,272	2,745,293	29.3
Children's/juveniles' shoe stores	276	7,910	0.1
Men's shoe stores	489	21,949	0.2
Department stores, total	6,439	2,309,649	24.7
Conventional	1,948	1,554,797	16.6
National chain	1,791	344,852	3.7
Discount/mass merchandising	2,700(e)	410,000(e)	4.4
Apparel specialty stores, total	14,359	878,143	9.4
Family clothing stores	8,425	580,807	6.2
Women's clothing stores	4,946	268,594	2.9
Women's accessories/specialty stores	189	10,751	0.1
Men's clothing stores	665	15,708	0.2
Children's specialty stores	134	2,283	**

(continued)

RETAIL SALES BY MERCHANDISE LINE: 1987 CENSUS OF RETAIL TRADE

Specified Merchandise Types (continued)

	Establishments*	Sales	% of lines Reported total
Children's footwear*			
Estimated total	32,078	$1,599,166	100.0%
Reporting store types:			
Shoe stores, total	22,871	1,210,142	75.7
Family shoe stores	20,307	874,001	54.7
Children's/juveniles' shoe stores	1,268	251,589	15.7
Women's shoe stores	1,048	79,438	5.0
Men's shoe stores	248	5,114	0.3
Department stores,total	4,340	316,731	119.8
Conventional	1,054	182,588	11.4
National chain	1,786	63,643	4.0
Discount/mass merchandising	1,500(e)	70,500(e)	4.4
Apparel specialty stores			
Family clothing stores	4,440	64,660	4.0
Children's specialty stores	427	7,633	0.5
Athletic Footwear			
Estimated total	41,184	$ 4,542,638	100.0%
Reporting store types:			
Shoe stores	22,116	2,777,067	61.1
Men's shoe stores	1,212	59,289	1.3
Women's shoe stores	771	23,911	0.5
Children's shoe stores	263	16,569	0.4
Family shoe stores	19,870	2,677,298	58.9
Sporting goods stores	7,284	669,883	14.7
General line stores	4,836	587,633	12.9
Specialty line stores	2,448	82,250	1.8
Department stores***	5,096	852,793	18.8
Conventional	1,307	228,354	5.0
National chain	1,789	344,439	7.6
Discount/Mass merchandiser	2,000(e)	280,000(e)	6.2
Apparel specialty stores	6,688	242,895	5.3
Men's wear stores	932	29,494	0.6
Women's accessory stores	83	2,350	0.1
Family clothing stores	5,673	211,051	4.6
Footwear Accessories (laces, polish, shoe trees, etc.)			
Reporting store type:			
Shoe stores	30,000	586,122	100.0

(continued)

RETAIL SALES BY MERCHANDISE LINE: 1987 CENSUS OF RETAIL TRADE

Specified Merchandise Types (continued)

(e) estimated by Fairchild Market Research Department

*Includes dress and casual shoes, not athletic footwear which is separately reported by some major outlet types, as shown above.

**Less than 0.1%

***Sales of leased departments are not included. Leased departments are separately counted as retail stores in the kind of business they conduct. The department store descriptions are as follows: Conventional - Department stores which provide checkout service and customer assistance within each department; usually have a catalog order service; are affiliated with a company which operates similar stores on a national basis; often sell soft and hard goods which are their own brands or are unbranded. Discount or Mass Merchandising Department Stores - convey the image of high-volume fast turnover at less than conventional prices; provide centralized checkout service; are usually self-service. Do not have a catalog order service.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RD87-S-3) and the Fairchild Market Research Department

RETAIL SALES BY STORE TYPE

Shoe Stores

Shoe stores (with payroll) (SIC 566): 1987 and 1982

Shoe stores are classified by the type of shoe in which they specialize and which are more than three times the combined sales of other types of footwear. The 1987 SIC definition was the same as the 1972 SIC. Leased shoe departments operating in department stores, etc., are classified as shoe stores.

Family shoe stores (SIC 566 part) primarily sell footwear for both men and women, and may also sell children's footwear, with no one of these groups accounting for more than three times the sales of the other two groups combined. This classification includes stores primarily selling athletic footwear and accessories.

From 1982 to 1987, the number of shoe stores specializing in the sale of men's and boys' footwear declined over 12.0%, but sales (in current dollars) were up 12%. Other types of shoe stores gained in both number and sales, particularly children's/juvenile's shoe stores. However, these represented only 3% of the shoe store count.

1987 Shoe Store Counts and Sales*

	All Stores		Stores With Payroll		Stores Without Payroll	
	Number	Sales	Number	Sales	Number	Sales
Shoe Stores (SIC 566)	43,340	$14,593.9	39,488	$14,410.8	3,852	$183.1

*Figures include leased shoe departments.

Shoe Stores (continued)

Shoe Stores With Payroll: 1982, 1987
(Dollar figures in millions, current dollars)

	Number of Stores*			Sales		
	1987	1982(r)	% change	1987	1982	% change
Shoe stores, total	39,488	38,506	2.5%	$14,410.8	$11,275.4	27.8%
Men's/boys' shoe stores	3,866	4,411	-12.3	1,246.5	1,110.7	12.2
Women's/girls' shoe stores	9,272	8,306	11.6	3,122.8	2,633.1	18.6
Children's/juveniles' shoe stores	1,268	1,052	20.5	296.6	218.0	36.1
Family shoe stores	25,082	24,737	1.4	9,744.8	7,313.6	33.2

*Covers stores in operation anytime during the year.
(r) revised. In the 1982 Census a total of 36,277 stores with payroll in operation at the end of the year was reported.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-A-52, RC87-N)

Shoe Store Firms (SIC 566)

The following table analyzes the distribution of firms with payroll in terms of the number of stores operated. A firm consists of one or more stores under common ownership or control. A firm may operate stores in more than one classification, and is counted in each. A multiunit firm may operate only one store in a specified classification. Subsidiary companies of firms are included in data on the ownership firm.

Single and Multiunit Firms Operating Shoe Stores: 1987
(Dollar figures in millions)

	Shoe Stores, All Types (SIC 566)					Men's Shoe Stores (SIC 566 pt.)				
	Firms		Stores			Firms		Stores		
	No.	%	No.	Sales	%	No.	%	No.	Sales	%
Firms	12,469	100.0	39,488	$14,410.8	100.0	1,092	100.0	3,866	$1,246.5	100.0
Single units	10,671	85.6	10,671	2,710.5	18.8	853	78.1	853	244.9	19.6
Multiunits	1,798	14.4	28,817	11,700.3	81.2	239	21.9	3,013	1,001.6	80.4
1 - 4 stores	1,459	11.7	3,080	1,231.5	8.5	196	17.9	356	170.3	13.7
5 - 24 stores	269	2.2	2,350	1,168.9	8.1	33	3.0	301	200.0	16.0
25 - 99 stores	37	0.3	1,532	646.5	4.5	3*	0.3	227	56.0	4.5
100 or more stores	33	0.3	21,855	8,653.4	60.1	7	0.6	2,129	575.4	46.2

(continued)

Shoe Store Firms (SIC 566) (continued)

Single And Multiunit Firms Operating Shoe Stores: 1987
(Dollar figures in millions)
(continued)

	Women's Shoe Stores (SIC 566 Pt)					Children's/Juveniles' Shoe Stores (SIC 566 Pt)				
	Firms		Stores			Firms		Stores		
	No.	%	No.	Sales	%	No.	%	No.	Sales	%
Firms	3,284	100.0	9,272	$3,122.8	100.0	685	100.0	1,268	$296.6	100.0
Single units	2,576	78.4	2,576	677.7	21.7	570	83.2	570	109.2	36.8
Multiunits	708	21.6	6,696	2,445.1	78.3	115	16.8	698	187.3	63.2
1 - 4 stores	577	17.6	1,157	431.2	13.8	99	14.5	164	38.0	12.8
5 - 24 stores	105	3.2	913	376.7	12.1	12	1.8	121	33.1	11.2
25 - 99 stores	16	0.5	717	274.8	8.8	3*	0.4	131	(D)	--
100 or more stores	10	0.3	3,909	1,362.4	43.6	1	0.1	282	(D)	--

	Family Shoe Stores (SIC 566 Pt)				
	Firms		Stores		
	No.	%	No.	Sales	%
Firms	7,743	100.0	25,082	$ 9,744.8	100.0
Single units	6,672	86.2	6,672	1,678.6	17.2
Multiunits	1,071	13.8	18,410	8,066.3	82.8
1 - 4 stores	896	11.6	1,764	740.2	7.6
5 - 24 stores	137	1.8	1,173	679.0	7.0
25 - 99 stores	15	0.2	683	301.7	3.1
100 or more stores	23	0.3	14,790	6,345.3	65.1

*All of these 3 firms operated 50 to 99 stores.
(D) Withheld by the Census Bureau to avoid disclosure.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-1)

The 20 largest firms (based on total sales) operating shoe stores had a 56% share of shoe store sales in 1987; the 50 largest had a 64% share. Concentration levels were generally highest among firms operating family shoe stores and those operating men's and boys' shoe stores.

Sales Size of Firms
Concentration of Largest Firms Operating Shoe Stores: 1987

	Stores Operated		Sales	
	Number	As % of Total	Thous. $	As % of Total
Shoe store firms, total (SIC 566)	39,488	100.0%	$14,410,807	100.0%
4 largest firms	10,462	26.5	4,792,126	33.3
8 largest firms	14,629	37.0	6,369,286	44.2
20 largest firms	20,024	50.7	8,093,474	56.2
50 largest firms	22,395	56.7	9,193,940	63.8

(continued)

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Shoe Store Firms (continued)

Sales Size of Firms
Concentration of Largest Firms Operating Shoe Stores: 1987
(continued)

	Stores Operated		Sales	
	Number	As % of Total	Thous. $	As % of Total
Men's shoe store firms	3,866	100.0%	$1,246,524	100.0%
4 largest firms	1,744	45.1	480,299	38.5
8 largest firms	2,128	55.0	618,160	49.6
20 largest firms	2,480	64.1	767,886	61.6
50 largest firms	2,605	67.4	878,684	70.5
Women's shoe store firms	9,272	100.0%	3,122,811	100.0%
4 largest firms	2,913	31.4	961,397	30.8
8 largest firms	3,623	39.1	1,291,779	41.4
20 largest firms	4,366	47.1	1,622,819	52.0
50 largest firms	4,896	52.8	1,834,021	59.0
Children's/juveniles' Shoe store firms	1,268	100.0%	296,618	100.0%
4 largest firms	409	32.2	116,351	39.2
8 largest firms	480	37.8	136,850	46.1
20 largest firms	534	42.1	156,921	52.9
50 largest firms	591	46.6	179,998	60.7
Family Shoe Store Firms	25,082	100.0%	9,744,854	100.0%
4 largest firms	9,636	38.4	4,675,250	47.0
8 largest firms	12,453	49.6	5,449,015	55.9
20 largest firms	14,173	56.5	6,273,215	64.4
50 largest firms	15,489	61.7	6,861,951	70.4

Note: Firms are classified by size based on total sales, which may include other businesses.

Source: U.S. Bureau of the Census
1987 Census of Retail Trade, (RC87-S-1)

While the 1982 counts on stores with payroll based on firm's sales size have not been adjusted for comparability with 1987, the following comparisons can be made which show the trend to greater concentration of sales among the largest firms. The number of firms in each classification in 1982 was reported as follows: shoe store firms: 12,449; men's shoe store firms: 1,099; women's shoe store firms: 2,980; children's: 589; family: 8,140. (A firm may be counted in more than one classification and firms are classified by size based on total sales).

Shoe Store Firms (SIC 566) (continued)

Comparative Concentration Levels of Largest Shoe Store Firms With Payroll: 1987 and 1982

	The 50 Largest Firms As % of Total in each store type			
	Stores Operated*		Sales	
	1987	1982	1987	1982
Shoe store firms (SIC 566), total	56.7	53.1	63.8%	56.3%
Men's shoe store firms	67.4	70.4	70.5	72.7
Women's shoe store firms	52.8	48.6	59.0	54.0
Children's/infants' wear stores (564)	46.6	40.8	60.7	50.0
Family clothing store (565)	61.7	56.4	70.4	61.6

*1982 covers stores in operation at end of year; 1987 stores in operation anytime during year.

Source: U.S. Bureau of the Census
1987 and 1982 Census of Retail Trade
(RC87-S-1), (RC82-1-1)

Shoe Stores: Sales Size of Stores with Payroll

Summary of Sales Concentration Among Shoe Stores: 1987

	Percent of Total By Store Type Accounted for by Stores with Annual Volume of $1 million or more	
	Stores	Sales
Store Type (In operation entire year)		
Shoe stores, total	4.6%	18.8%
Men's shoe stores	3.8	21.1
Women's shoe stores	3.6	16.5
Children's/juveniles' shoe stores	0.9	4.2
Family shoe stores	5.3	19.5

Source: Based on U.S. Bureau of the Census
1987 Census of Retail Trade (RC87-S-1)

Shoe Stores (continued)

Distribution of Shoe Stores & Sales By Sales Size; 1987

(Sales in millions of dollars)

	Shoe Stores, Total (SIC 566)				Men's (& Boys') Shoe Stores			
	No.	%	Sales	%	No.	%	Sales	%
Total	39,488		$14,410.8		3,966		$1,246.5	
In operation entire year	35,028	100.0	13,882.6	100.0	3,492	100.0	1,211.0	100.0
Sales volume 1987:								
$10.0 mil. & over	4	*	49.4	0.4	--	--	--	--
$ 5.0 - $9.9 mil	25	0.1	163.4	1.2	5	0.1	35.3	2.9
$ 1.0 - $4.9 mil	1,588	4.5	2,387.6	17.2	131	3.7	221.0	18.2
$ 0.5 - $0.9 mil	6,721	19.2	4,474.8	32.2	425	12.2	282.5	23.3
$ 0.25 - $0.49 mil	13,655	39.0	4,855.5	35.0	1,185	33.9	407.6	33.7
$ 0.10 - $0.24 mil	9,798	28.0	1,750.4	12.6	1,376	39.4	240.8	19.9
Under $100,000	3,238	9.2	201.3	1.4	370	10.6	23.9	2.0

	Women's (& Girls') Shoe Stores				Children's/Juveniles' Shoe Stores			
	No.	%	Sales	%	No.	%	Sales	%
Total	9,272		$ 3,122.8		1,268		$296.6	
In operation entire year	8,208	100.0	2,997.8	100.0	1,109	100.0	282.0	100.0
Sales volume 1987:								
$10.0 mil. & over	--	--	--	--	--	--	--	--
$ 5.0 - $9.9 mil	5	0.1	29.8	1.0	--	--	--	--
$ 1.0 - $4.9 mil	288	3.5	464.4	15.5	10*	0.9	11.9	4.2
$ 0.5 - $0.9 mil	1,250	15.2	827.3	27.6	86	7.8	52.9	18.8
$ 0.25 - $0.49 mil	3,293	40.1	1,162.3	38.8	387	34.9	130.6	46.3
$ 0.10 - $0.24 mil	2,554	31.1	462.9	15.4	447	40.3	75.9	26.9
Under $100,000	818	10.0	51.0	1.7	179	16.1	10.7	3.8

	Family Shoe Stores			
	No.	%	Sales	%
Total	25,082		$9,774.8	
In operation entire year	22,219	100.0	9,391.7	100.0
Sales volume 1987:				
$10.0 mil. & over	4	0.1	49.4	0.5
$ 5.0 - $9.9 mil	15		98.3	1.0
$ 1.0 - $4.9 mil	1,159	5.2	1,690.3	18.0
$ 0.5 - $0.9 mil	4,960	22.3	3,312.1	35.3
$ 0.25 - $0.49 mil	8,790	39.6	3,155.1	33.6
$ 0.10 - $0.24 mil	5,421	24.4	970.8	10.3
Under $100,000	1,870	8.4	115.7	1.2

*All 10 Stores were in the $1 million to $2.499 million sales group.

Source: Based on U.S. Bureau of the Census
1987 Census of Retail Trade (RC87-S-1)

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Shoe Stores (continued)

Number and Shoe Stores By U.S. Regions: 1987

	Stores		Sales	
	Number	%	Mil. $	%
Shoe stores, U.S. total	39,488	100.0%	$14,410.8	100.0%
New England	2,196	5.6	888.5	6.2
Middle Atlantic	6,787	17.2	2,695.7	18.7
East North Central	6,705	17.0	2,389.1	16.6
West North Central	2,737	6.9	850.8	5.9
South Atlantic	7,291	18.5	2,629.4	18.2
East South Central	2,390	6.0	672.6	4.7
West South Central	4,391	11.1	1,537.8	10.7
Mountain	1,957	5.0	676.1	4.7
Pacific	5,034	12.7	2,070.4	14.3

Source: Based on U.S. Bureau of the Census
1987 Census of Retail Trade (RC87-A-52)

CONSUMER PURCHASE PATTERNS

Footwear Market Index (FMI), a service of Footwear Market Insights, Nashville, Tennessee conducts private tracking studies measuring consumer purchases among nationwide samples of U.S. households. FMI tracks footwear purchases on a regular basis, covering 30,000 households three times a year. Following are findings on shoe types purchased, place of purchase, etc., primarily based on purchases tracked in 1988 and 1989.

Note: Footwear classifications are based on shoe size, not age of wearer.

Projected Total Purchases By Type of Footwear
(Pairs in millions)

	1989	1988	1987	Percent Change 1989/88	Percent Change 1988/87
Non-athletic	600.0	594.2	606.2	+0.1%	-2.0%
Athletic/tennis	388.2	376.8	349.2	+3.1%	+7.9%
TOTAL	988.6	971.0	955.4	+1.8%	+1.6%

Distribution of Footwear Purchases (Pairs) By Market Segment: 1988, 1989

	1989	1988	% Point Change 1989/88
Total footwear purchases	100.0%	100.0%	--
Men's	27.4	28.0	- 0.6%
Women's	54.0	53.6	- 0.4
Boys'	6.8	6.9	- 0.1
Girls'	5.8	5.7	+ 0.1
Infants'	5.9	5.8	+ 0.1

Source: Footwear Market Insights:
Footwear Market Index (FMI)

CONSUMER PURCHASE PATTERNS

Distribution of Purchases of Non-rubber & Rubber/Fabric Footwear By Type of Shoe: 1988, 1989

Shoe Types:	Men's		Boys'		Women's		Girls'		Infants'	
	1989	1988	1989	1988	1989	1988	1989	1988	1989	1988
Total (mil. pairs)*										
Percent#	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Dress	23.5	24.7	10.4	11.1	32.0	33.0	21.8	22.8	20.5	21.2
Casual	10.5	10.7	7.0	5.6	18.3	18.7	12.9	12.2	18.1	15.5
Sandals (Dress/Cas)	--	--	--	--	10.4	12.2	7.5	7.6	--	--
Athletic/tennis	47.7	48.3	77.2	77.2	30.5	27.4	50.4	49.8	51.1	54.2
Work/Duty	10.7	1.3	1.2	2.7	2.8	0.3	0.3	--	--	
Western/casual Boot	2.8	2.2	1.2	1.3	1.0	0.8	1.4	1.3	--	--
Other	3.5	3.3	2.9	3.6	5.1	5.0	5.7	6.1	10.4	7.2

*Includes rubber and rubber/fabric footwear except slippers or protective footwear

#Total percent may not equal 100% due to rounding.

Distribution of Total Footwear Purchases (Pairs) By Place of Purchase: 1988, 1989

	Men's		Women's		Boys'		Girls'	
	1989	1988	1989	1988	1989	1988	1989	1988
Total Percent#	100%	100%	100%	100%	100%	100%	100%	100%
Department stores	9.0	8.7	15.7	15.0	6.8	8.1	7.7	7.3
Apparel specialty	2.2	2.3	2.3	2.1	1.0	1.3	0.8	1.2
Sporting goods/pro shops	8.1	8.1	2.5	2.7	2.9	3.1	1.3	1.0
Shoe stores*	32.7	32.9	37.1	36.1	38.0	38.1	38.7	42.1
Mail order	4.6	4.4	2.8	2.7	0.4	0.2	0.5	0.3
Factory outlets	2.6	2.6	2.7	2.6	1.3	1.2	1.1	1.0
Discount stores**	21.9	20.6	22.1	19.9	35.9	32.7	38.1	33.6
Sears, Penney's, Ward's	12.4	12.6	9.8	10.8	9.7	10.1	8.2	8.7
All other outlets	6.7	7.6	5.1	8.1	4.2	5.0	3.8	4.7

* Also includes Thom McCann/Kinney, athletic and self service shoe stores

** Includes variety stores

# Total percent may not equal 100% due to rounding.

Source: Footwear Market Insights:
Footwear Market Index (FMI)

In October 1989, Seventeen magazine conducted a footwear survey based on questionnaires sent to 2,000 members of its consumer panel, representing a cross section of the female market aged 13-21. Results were balanced by age and geographic area to census data. The survey revealed that nearly everyone (95% of respondents) purchased at least one pair of athletic footwear, nine out of every ten purchased dress shoes, three-fourths bought some type of casual/sporty footwear, half purchased boots, and about one-fifth purchased sneakers. On average, 9.6 pairs of footwear were purchased by respondents during the past year.

Footwear Purchases by Teenage Females
In the past 12 months

	% of respondents	Average price paid
Purchased any type of athletic footwear	95.0%	$36.00
Specific types of athletic footwear purchased:		
Tennis sneakers/shoes	44.2%	$30.00
Aerobic shoes	38.9%	$42.00
High-top sneakers	26.9%	$44.00
Running/jogging shoes	24.3%	$46.00
Walking shoes	10.0%	$36.00
Cross-training shoes	9.9%	$51.00
Other/casual sneakers	51.8%	$23.00
Purchased any type:		
Dress shoes	90.4%	$30.00
Sporty/Casual shoes	77.6%	$30.00
Boots	50.5%	$54.00
Slippers	22.2%	$16.00

Source: Seventeen Magazine:
1989 Footwear Survey

Athletic Footwear

Of the footwear categories available in the market, the relatively new category of cross-training and the renewed walking shoe category are doing especially well at retail.

With the increasing popularity of walking as a sport, the once slow growing category of walking shoes has received a sudden surge in demand. According to Footwear Market Insights (FMI), the walking market is dominated by athletic brands, accounting for about 80% of the total. The potential for continued rapid growth is excellent, since most of the business (57%) is geared towards consumers aged 40+, and that group is expected to grow significantly by the year 2000.

The cross-training category, which was originally developed for no specific sport, has developed into an $800 million dollar industry, according to the Sporting Goods Manufacturers Association. Some resources view cross-training as the ultimate mix of athletics and casuals, which encourages participation in several sports and leaves room for individual expression. According to Footwear News, cross-training is now 25% of the Footlocker's men's business second in share only to men's basketball, with 30%.

Athletic footwear companies frequently develop new customized shoe categories to attract consumer attention and increase demand. "Specialized Cross Trainers", for example, were recently introduced for use in a variety of sports activities that are related.

Athletic Footwear (continued)

High-tech features are also used as a tool to attract consumer attention. Recent developments include encapsulating silicon-based gel or pressurized gas within the shoe to provide cushion and shock absorption. Lighter weight materials, such as graphite, are also being used without sacrificing support or durability.

Athletic shoes with casual, fashionable looks are expected to increase in popularity among consumers. These casual looks will include lightweight, rugged hiking shoes in suedes. Outdoor inspired looks are strongly influencing fashion trends in both athletic footwear and apparel.

Consumers spent $10.9 billion on 388 million pairs of athletic footwear in 1989 - a 12.4% increase in spending and a 3.0% increase in units sold over 1988 figures, according to Footwear Market Insights.

Growth in the market is slowing, according to FMI data. In 1988, sales (in pairs) grew by 7.9% over 1987 figures, but in 1989 sales grew by only 2.9% over 1988.

While sales of women's shoes (in pairs) improved from 1988 to 1989, the men's and childrens' segments fell off during the same period. The women's market is the fastest growing segment of the athletic business, and now exceeds the men's market by more than 30 million pairs.

The SGMA noted that the decrease in men's pairage sales reflect a recent dropoff in sports participation, while an increased fashion influence in athletic footwear is revealed in women's pairage growth.

In the men's, boys' and infants' market segments, from 1988 to 1989, the relative importance of athletics compared to other shoe types has declined. For men's and boys' there was a minor drop (about 1%) but for infants, the decline was more significant (5%). For women and girls, the importance of athletic footwear increased.

Athletic Footwear Purchases: 1987-1989

	1989	1988	1987	% Change 1989/88
Billions of dollars	$10.9	$9.7	$8.1	12.4%
Millions of pairs	388	377	349	2.9
Men's	124	129	113	-3.9
Women's	157	139	130	12.9
Childrens' (Boys, girls, infants)	107	109	106	-1.8

Source: Footwear Market Insights:
Footwear Market Index (FMI) and
National Sporting Goods Association

Athletic Footwear (continued)

The athletic footwear market includes two distinct types of footwear: tennis shoes, sneakers and other footwear with soles vulcanized to fabric uppers, and shoes primarily of leather or plastic, including jogging and running shoes, golf shoes, etc.

Purchases of both women's tennis sneakers and athletic/jogging footwear picked up from 1988 to 1989 while purchases of men's athletic footwear fell in both of these categories.

Pattern in Athletic Footwear Purchases: 1988, 1989
(Based on pairs)

	1989	1988	% Change 1989/88
Total, all types	100.0%	100.0%	--
Athletic/jogging footwear	34.0	33.8	0.2%
Men's	14.3	14.9	-0.6
Women's	15.9	15.1	0.8
Boy's	2.6	2.7	-0.1
Girls'	1.2	1.1	0.1
Tennis shoes/sneakers	66.0	66.2	-0.2
Men's	20.3	22.2	-1.9
Women's	27.8	25.1	2.7
Boy's	11.3	12.0	-0.7
Girls'	6.6	6.9	-0.3

Source: Footwear Market Insights:
Footwear Market Index (FMI), Nashville, TN

An additional insight into athletic footwear purchases is made available from a survey based on interviews of 80,000 American households by the National Sporting Goods Association (NSGA). This survey, entitled The Sporting Goods Market in 1990, measures purchases of athletic footwear by category and retail outlet type as follows.

Sales of Athletic Footwear in Selected Classifications: 1988, 1989
(In millions)

	Pairs			Dollars		
	1989	1988	% Change 1989/88	1989	1988	% Change 1988/87
Aerobics	11.3	9.2	23%	$425.3	$326.6	30%
Basketball	6.2	5.2	20	292.6	226.4	29
Gym shoes, sneakers*	40.4	29.6	36	1,125.3	783.2	44
Jogging/running	12.2	11.8	3	515.4	460.0	12
Tennis	17.1	11.8	45	507.6	352.5	44
Walking	31.0	18.9	64	1,236.9	752.3	64
Workout/fitness*	7.9	5.2	51	320.8	189.7	69

*These categories are based on consumer perception and may include footwear more accurately placed in other footwear categories.

Athletic Footwear (continued)

Share of Consumer Footwear Purchases by Category/Sport and Percentage Change in Sales 1990 vs. 1989

	Percent of Dollar Purchases 1990 Forecast	% Change In Sales '90 vs. '89
Aerobic shoes	7.2%	-5%
Baseball/softball	1.9	3
Basketball shoes	5.7	9
Bowling shoes	1.0	2
Football shoes	0.9	-
Golf shoes	2.5	7
Gym shoes/sneakers	21.4	6
Hiking shoes/boots	4.7	5
Hunting boots	1.2	-
Jogging/running	9.4	2
Racquetball shoes	0.5	-
Soccer shoes	1.1	5
Tennis shoes	9.7	7
Volleyball shoes	1.6	5
Walking shoes	25.5	15
Workout/fitness	5.7	-

Source: National Sporting Goods Association (NSGA)
The Sporting Goods Market in 1990

Athletic Footwear Purchases by Type of Retail Outlet: 1988, 1989
(Percent of total purchases)

	Men		Women	
	1989	1988	1989	1988
Total	100.0%	100.0%	100.0%	100.0%
Sears/Penney/Ward	12.0	12.5	12.2	13.4
Department Stores	8.5	8.2	13.4	12.8
Discount Stores	25.2	25.1	27.1	25.5
Shoe stores	11.5	10.8	12.6	12.2
Sporting Goods	14.7	15.7	7.1	8.8
All other	28.1	27.7	27.6	27.3

Source: Footwear Market Insights
Footwear Market Index (FMI), Nashville, TN.

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FACT FILE

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Consumer Market Developments

FAIRCHILD FACT FILE

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CONSUMER MARKET DEVELOPMENTS

MAJOR TRENDS

By the close of 1990, the U.S. had come to the end of its eight-year expansion and was into a deepening recession. The downward trend in economic indicators was sharpened by the prospect of involvement in a war with Iraq. Along with this, consumer confidence levels were changing rapidly on the downside.

In the fourth quarter of the year, the annual rate in real personal consumption expenditures (measured in constant 1982 dollars) fell 2.9%, with durable goods down 10.7%, nondurables, down 5.9%, and services up 1.8%. Since these expenditures account for almost two-thirds of the Gross National Product, the decline was a big factor in the 2.0% overall contraction in the economy in the last quarter--the sharpest drop in eight years.

A successful termination of hostilities in the Gulf, along with measures taken by the Federal Reserve Board to lower interest rates, should help spark a rise in consumer confidence and increase spending. However, the fundamental problems in the economy, which started before the Gulf problem, remain; and most economists expect the recession to last well into 1991 at best. Factors weighing down the economy include a heavy level of consumer debt, instable banks, severe weakness in real estate, and structural changes of a long term or permanent nature in many enterprises which have resulted in sharp downsizing and elimination of jobs.

Marketers of consumer goods looking beyond the current economic situation are increasingly forced to consider the basic changes that are occurring in the structure of the market. The 1990s will be a decade paced by major developments in the demographics, in life styles and values. The proliferations of age groups, with the maturing of the baby boomers, are bringing about a growing fragmentation of consumer markets.

Estimates on probable trends in key market indicators in the 1990s have been compiled by the U.S. Bureaus of Economic Analysis and of the Census of Labor Statistics. Of particular value as a starting point are the Census Bureau projections on population growth by age, sex and race; as well as on household formations. These, and other projections for the 1990s, are summarized in the first section of this FACT FILE.

Regional projections to help narrow target markets have been compiled by the BEA on population, personal income and per capita income. U.S. per capita income is projected to grow at a slower rate in the next 10 years, with an annual rate averaging 1.23% in 1988-2000 compared with 1.53% in the 1980s. The measurements are in constant (1982) dollars to represent real growth, without inflation. Regional differences are expected to narrow. Per capita income will grow slower than the U.S. average in all high-income regions (those with above-average per capita income in 1988) and faster than average in nearly all low-income regions.

Regions expected to do better than average include the Plains, the Southwest, Southeast and Rocky Mountain; lagging behind are New England, Midwest, Far West and Great Lakes Regions. Of course within these regions there will be pockets of prosperity, or market segments of particular value in the marketing of specific products. The projections are based on an extension of past economic relationships and assume no major policy changes. They are baseline projections. New developments, such as an unexpected upsurge in defense-related activity or in U.S. exports, could affect regional developments, and such changes must be factored in.

MAJOR TRENDS (continued)

The second section of this FACT FILE covers the latest available statistics (as of December 1990) relating to consumer markets, and trends in the 1980s. The figures add another dimension to the information in the formal projections that are available, and confirm other trends.

In population changes, in addition to data on aging, the growth of minorities in the population is notable. In 1989, the White population represented 84% of the total, down from about 86% in 1980; Blacks accounted for 12.4%, up from 11.8% in 1980; other races, particularly Asiatics, increased their share of the total from 2.3% to 3.5%; and these changes are accelerating. In 1989 Hispanics represented 8.3% of the population, up from 6.5% in 1980.

We are in the midst of another--though probably to be shorter--baby boom because of the increased women of childbearing age in the population, and an increase in fertility rates among women in the older segment. Somewhat over four million babies were born in 1990--the largest number since 1964; and marketers of children's products have a growing market, in contrast with those catering to teenagers, whose numbers reflect the birth dearth in recent years.

The news on the real purchasing power of consumers is not good. Earnings of production and nonsupervisory workers measured in constant dollars are declining, falling an overall 2.8% from 1980 to 1988. Although per capita disposable income in real terms gained 17% in this period, the rate of gain is falling. In 1990 compared with 1989, per capita personal income declined 0.2%, following a gain of 1.4% in 1989, 3.8% in 1988. Income growth has definitely slowed.

Census Bureau studies show a growing gap in earnings, as well as in the concentration levels of household income, and wealth. In 1980, the top 20% of U.S. households had a 16.5% share of aggregate income; in 1989, their share was estimated at 18.9% up from 18.3% in 1988. Considering total net worth, the top 20% of households based on monthly income (set at about $3,900 and up) held a share conservatively estimated at 44.4% in 1988. This was down from 47.5% of net worth in 1984 measured in 1988 dollars.

Median net worth ranged from $6,078 where householders were under age 35 to $80,032 for those aged 55 to 64. The median was $73,471 where householders were age 65 and over. The median net worth of the most affluent fifth of U.S. householders in 1988 was $111,770, 13.6% over the median ($98,411) for the top fifth reported for 1984 in 1988 dollars. The median value for all households declined from $37,012 in 1984 to $35,752 in 1988 (with the difference considered to be statistically insignificant). The report confirms observations in recent years of a growing concentration of wealth among the affluent, while other households are holding even or declining in real wealth.

The trends in real purchasing power, along with the maturing of the population, would indicate a change in buying patterns. The growing wealthy group, of course, will be a target for the upscale retailers who can follow their changing life styles and fancies. The bulk of the buying public, however, will probably be looking more for quality than for image, and will be ever more price conscious.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

Population

In December, the U.S. Bureau of the Census issued the count on the U.S. population as of April 1, 1990 at 249,632,692, based on the complete census which is compiled every 10 years. This represented an increase of 23 million people (or 10.2%) over the official 1980 total (which did not include Armed Forces and Federal workers overseas). The 1990 resident count comes to 248.7 million; the 1980 count was 226.5 million.

Protests are still being registered, particularly from state and local governments who feel the 1990 counts for their areas are too low. A further review is underway by the Bureau which expects to make an announcement in mid-July on any adjustments that might be made.

Be that as it may, a workable pattern on one of the most important starting points in analyzing the future course of consumer market--the changing structure of the population by age, sex and race--is available from the Census Bureau and this has formed the starting point for other projections--on household formations, employment, regional growth, etc., providing some guidelines on future demographic developments.

The 1989 edition of the CONSUMER MARKET DEVELOPMENTS Fact File carried details on population projections issued by the Census Bureau in January 1989. These projections (as well as other series of projections from government sources) were issued in three series--based on high, medium and low growth assumptions. In the case of population this involved the course in birth totals, mortality and net immigration.

The middle series covered in the FACT FILE covered projections from a 1990 base population count of 250.4 million (including Armed Forces Overseas)--close to the Census count and a good starting point, even without any upward revision.

The Census Bureau has found that the number of births in the past couple of years has exceeded expectations, and the younger age group may be somewhat underrepresented. Projections on people already born when the projections were compiled are on firm ground. Following is a summary of the middle series for years 2000 and 2010 on the population by age.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

Population

Population Projections: 1990, 2000, 2010
(Middle Series)
(Number in thousands; Includes Armed Forces Overseas)

	Number (Thousands)			% Change	% of Total		
	1990(p)	2000	2010	2000/1990	1990	2000	2010
TOTAL, MALE & FEMALE							
All ages	250,410	268,266	282,575	7.1%	100.0%	100.0%	100.0%
Under 5 years	18,408	16,898	16,899	- 8.2	7.3	6.3	6.0
5 to 9 years	18,378	18,126	16,940	- 1.4	7.3	6.8	6.0
10 to 15 years	20,634	23,108	21,345	12.0	8.2	8.6	7.5
16 years & over	192,989	210,134	227,390	8.9	77.1	78.3	80.5
16 - 19	14,068	15,212	15,164	8.1	5.6	5.7	5.4
20 - 24	18,689	17,600	19,453	- 5.8	7.5	6.6	6.9
25 - 29	21,501	17,736	19,310	-17.5	8.6	6.6	6.8
30 - 34	22,414	19,413	18,262	-13.4	8.9	7.2	6.5
35 - 39	20,220	21,820	18,041	7.9	8.1	8.1	6.4
40 - 44	17,677	22,091	19,161	25.0	7.1	8.2	6.8
45 - 49	13,947	19,885	21,482	42.6	5.6	7.4	7.6
50 - 54	11,540	17,338	21,725	50.2	4.6	6.5	7.7
55 - 64	21,364	24,158	35,430	13.1	8.5	9.0	12.5
65 & over	31,559	34,882	39,362	10.5	13.0	13.0	13.9
75 & over	13,187	16,639	18,323	26.2	5.3	6.2	6.5
85 & over	3,254	4,622	6,115	42.0	1.3	1.7	2.2
Median age (years)	33.0	36.4	39.0	--	--	--	--
MALE							
Total all ages	122,243	131,191	138,333	7.3%	100.0%	100.0%	100.0%
Under 5 years	9,426	8,661	8,668	- 8.0	7.7	6.6	6.3
5 to 9 years	9,408	9,288	8,687	- 1.3	7.7	7.1	6.3
10 to 15 years	10,576	11,849	10,955	12.0	8.6	9.0	7.9
16 years & over	92,834	101,392	110,024	9.2	75.9	77.3	79.5
16 - 19	7,182	7,771	7,753	8.2	5.9	5.9	5.6
20 - 24	9,427	8,889	9,831	- 5.7	7.7	6.8	7.1
25 - 29	10,818	8,917	9,705	17.6	8.8	6.8	7.0
30 - 34	11,260	9,745	9,173	-13.4	9.2	7.4	6.6
35 - 39	10,072	10,928	9,037	8.5	8.2	8.3	6.5
40 - 44	8,713	11,017	9,549	26.4	7.1	8.4	6.9
45 - 49	6,815	9,828	10,683	44.2	5.6	7.5	7.7
50 - 54	5,591	8,468	10,749	51.5	4.6	6.5	7.8
55 - 64	10,103	11,557	17,173	14.4	8.3	8.8	12.4
65 & over	12,853	14,273	16,372	11.2	10.5	10.9	11.8
75 & over	4,681	6,032	6,681	28.9	3.8	4.6	4.8
85 & over	918	1,322	1,791	44.0	0.7	1.0	1.3
Median age (years)	31.9	35.2	37.5	--	--	--	--

(continued)

Population (continued)

Population Projections: 1990, 2000, 2010
(Middle Series)
(Number in thousands; Includes Armed Forces Overseas)
(continued)

	Number (Thousands)			% Change	% of Total		
	1990(p)	2000	2010	2000/1990	1990	2000	2010
FEMALE							
Total all ages	128,167	137,076	144,241	7.0%	100.0%	100.0%	100.0%
Under 5 years	8,982	8,237	8,231	- 8.3	7.0	6.0	5.7
5 to 9 years	8,971	8,837	8,253	- 1.5	7.0	6.4	5.7
10 to 15 years	10,059	11,259	10,391	11.9	7.8	8.2	7.2
16 years & over	100,155	108,742	117,366	8.6	78.1	79.3	81.4
16 - 19	6,886	7,440	7,410	8.0	5.4	5.4	5.1
20 - 24	9,262	8,711	9,622	- 5.9	7.2	6.3	6.7
25 - 29	10,694	8,819	9,605	-17.5	8.3	6.4	6.7
30 - 34	11,154	9,668	9,089	-13.3	8.7	7.0	6.3
35 - 39	10,148	10,892	9,004	7.3	7.9	7.9	6.2
40 - 44	8,964	11,074	9,612	23.5	7.0	8.1	6.7
45 - 49	7,132	10,057	10,799	41.0	5.6	7.3	7.5
50 - 54	5,949	8,870	10,976	49.1	4.6	6.5	7.6
55 - 64	11,260	12,601	18,257	11.9	8.8	9.2	12.7
65 & over	18,706	20,608	22,991	10.2	14.6	15.0	15.9
75 & over	8,505	10,607	11,643	24.7	6.6	7.7	8.1
85 & over	2,336	3,300	4,324	41.3	1.8	2.4	3.0
Median age (years)	34.1	37.6	40.3	--	--	--	--

(p) preliminary
Note: Columns may not add to 100% due to rounding.

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-25, No. 1018) (Issued January 1989)

The spectacular boom in births in the years 1946-1964, when almost 75 million babies were born in the U.S, as well as the birth dearth in the 1960s and early 1970s have indisputably set the pattern in these groups' impact on many aspects of consumer markets for years to come. In the peak year of the baby boom, 1961, 4.1 million babies were born; a low of 3.14 million was recorded by the National Center for Health Statistics in 1973.

The aging of the population is an established fact and will shape consumer markets as the large baby boom group moves along the age scale. The median age of the population rose from 27.9 years in 1970 to an estimated 34.1 years in 1990, according to the Census Bureau. It will keep climbing.

Year	Projected Median Age (Middle Series)
2000	36.4 years
2010	38.9
2020	40.2

Population (continued)

Over the next 10 years, the fastest population growth will be among people age 40 to 54--good news for some marketers as personal incomes are generally at the peak. However, spending patterns and life styles are quite different than the patterns in their younger years. At the same time, younger age groups encompassing the people most apt to establish new households--and an important component of the labor force--are declining in number.

Households

Fewer people reaching age 25 (considered the age for most new householders), more of the population remaining single, and life style changes noted in the growing number of young adults (particularly men) living at home with parents or joining other households, portend a continued slowdown in household formations. The high cost of housing is another factor in slowing the growth in new households.

In 1986, the Census Bureau issued projections to the year 2000 on the number of households and families to year 2000. Three series were presented, based on high, low and intermediate assumptions affecting growth rates.

The projected number of households for 1990 in Series C (the series projecting the lowest number for the year) was 93.3 million, about matching the Census Bureau's current estimate on the household count in 1990. In this series, a total of 102.4 million households was projected for year 2000. This would be an increase of 9.7% over the 1990 total. In the period 1980 to 1990, households increased 15.6%; from 1970 to 1980, the gain in number was 27.4%.

Between 1980 and 1990, the average rate of increase in households was 1.4% a year compared with 2.4% per year in the 1970s. In the 1990s, it will slip below 1% a year.

The slowdown in household formations is already affecting the housing market, and spending for homefurnishings of all types. This, and the changing life styles of young adults, will have an impact on market planning for many years.

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

The Bureau of Economic Analysis (BEA), U.S. Department of Commerce, has compiled projections to year 2000 on key interrelated statistics--population, personal income, employment and earnings--for the U.S., for regions, for states and for metropolitan areas.

These projections, while based on past trends to 1988, provide a basis for assessing future demand for goods and services, and baselines on relative economic growth, adjusted for major developments not factored in these projections. For example, developments in the Persian Gulf might alter the course of economies strongly in defense-related, high tech products. An outstanding performance by exotic new weapons developed by U.S. companies could alter the perception of U.S. suppliers by foreign buyers toward a higher regard for U.S. technology which hopefully would be translated into commercial manufacturers in this country.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

The tremendous quantity of armament and weaponry available for the conflict is primarily out of inventory, but defense industries centered in the Northeast, Midwest and West Coast may well be faced with unexpected business to rebuild supplies. Other U.S. companies can be expected to eventually be involved in the rebuilding of Kuwait and other war-damaged areas.

The BEA data summarized below provide a starting point in assessing relative growth by region, to be evaluated as major events occur. Value information is reported in constant 1982 dollars, eliminating the effects of inflation. Average annual growth rates are covered in two periods: 1978-1988 and 1988-2000 in each series.

The projections summarized below are reported in greater detail by the BEA in issues of the Survey of Current Business (May and October, 1990). In addition, BEA REGIONAL PROJECTIONS TO 2040 are to be published in three volumes by the BEA, U.S. Department of Commerce, Washington, DC 20230.

Population, Personal Income, Per Capita Income

The U.S. population is projected to increase at an annual average of 0.71% in 1988-2000, a slowdown from the 1.01% average gain in 1979-1988. Total personal income in constant dollars is projected to grow 1.96% a year in 1988-2000, down from 2.56% averaged in 1979-1988. While growth rates in both population and total personal income are expected to slow down, the bigger drop will be in the latter--mainly personal dividend, interest, and rental income and in transfer payments. This results in a projected drop in the average annual gain expected in per capita personal income--from 1.53% in 1979-1988 to 1.23% in 1988-2000.

The BEA expects regional differences in per capita personal income to narrow, as the growth rate slows below the U.S. average in all high-income regions (those with above average per capita income in 1988) and exceeds the U.S. average in nearly all the relatively low income regions. This would represent a resumption of the pattern in each decade from the 1930s (the first measured) to 1979, when it was interrupted by unusual shifts in population, in income and employment/earnings patterns.

Coastal regions -- Per capita income growth is projected to slow through the year 2000 in the three high-income regions because of these conditions: (1) In New England and the Mideast, below-average total personal income (TPI) growth that more than offsets below-average population growth, and (2) in the Far West, above-average population growth that more than offsets above-average TPI growth. In 1988-2000, per capita income is projected to decrease from 122% of the U.S. average in 1979-1988 to 118% in New England, from 115% to 114% in the Mideast, and from 110% to 108% of the average in the Far West.

In the Southeast, a low-income region, per capita income in the year 2000 is projected at 89% of the U.S. average, up from 88% in 1988 as above-average TPI growth more than offsets above-average population growth.

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

Interior Regions -- Projections of fast per capita income growth in three of the four low income interior regions reflect the following conditions: (1) Plains Region: below-average population growth more than offsets below-average TPI growth; (2) Rocky Mountain Region: above-average TPI growth more than offsets above-average population growth; (3) Southwest: above-average TPI growth, and near-average population growth.

Between 1988 and 2000, per capita income in each of these regions is projected to come closer to the U.S. average, in contrast with the pattern of divergence in 1979-88. The Great Lakes, a low income region, is expected to register per capita income growth at the U.S. average rate, as below-average TPI growth offsets below-average population growth.

Following are tables summarizing the regional projections in population and in personal income and in per capita personal income selected from the detailed BEA reports.

POPULATION AND PERSONAL INCOME -- U.S., REGIONS, SELECTED STATES
1988, 1995, 2000

	Population*					Personal Income				
	Millions of Persons			Av. Annual Growth Rate (%)		Billions of Dollars			Av. Annual Growth Rate (%)	
	1988	1995	2000	1979-88	1988-2000	1988	1995	2000	1979-88	1988-2000
U.S. Total	245.8	259.6	267.7	1.01	0.71	$3,255.6	$3,756.4	$4,108.4	2.56	1.96
Coastal Regions	151.9	161.5	167.2	1.13	0.80	2,091.0	2,420.3	2,652.2	3.15	2.00
NEW ENGLAND**	13.0	13.6	14.1	0.54	0.68	210.0	236.3	255.4	3.97	1.64
Connecticut	3.2	3.4	3.5	0.47	0.64	59.8	66.6	71.5	3.87	1.50
Massachusetts	5.9	6.2	6.3	0.27	0.62	98.6	110.1	118.6	3.98	1.55
MIDEAST*	45.5	45.1	46.0	0.30	0.47	663.3	746.2	804.4	2.76	1.62
New Jersey	7.7	8.2	8.5	0.51	0.78	137.3	155.2	168.8	3.95	1.74
New York	17.9	18.3	18.5	0.17	0.27	277.1	309.2	330.4	1.48	0.20
Pennsylvania	12.0	12.3	12.5	0.12	0.35	156.3	176.0	190.0	1.51	1.63
SOUTHEAST*	58.7	62.2	64.3	1.36	0.76	681.5	797.6	879.8	3.27	2.15
Florida	12.3	13.7	14.6	2.98	1.40	164.5	200.0	225.8	5.05	2.67
Georgia	6.3	6.8	7.1	1.82	0.99	77.8	92.1	102.0	4.47	2.29
N. Carolina	6.5	6.8	7.0	1.25	0.68	74.5	86.5	94.9	3.61	2.04
Tennessee	4.9	5.2	5.4	0.86	0.76	54.5	64.1	70.7	2.71	2.19
Virginia	6.0	6.5	6.9	1.36	1.10	85.3	101.1	112.1	4.12	2.30
FAR WEST*	36.8	40.6	42.9	2.06	1.29	536.1	640.1	712.7	3.19	2.40
California	28.3	31.4	33.2	2.21	1.33	426.7	509.5	567.6	3.50	2.41
Oregon	2.8	3.0	3.1	0.79	0.87	33.1	38.7	42.7	0.99	2.15
Washington	4.6	5.0	5.3	1.65	1.06	61.5	72.9	80.7	2.21	2.30

(continued)

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

POPULATION AND PERSONAL INCOME -- U.S., REGIONS, SELECTED STATES 1988, 1995, 2000

(continued)

	Population*					Personal Income				
	Millions of Persons			Av. Annual Growth Rate (%)		Billions of Dollars			Av. Annual Growth Rate (%)	
	1988	1995	2000	1979-88	1988-2000	1988	1995	2000	1979-88	1988-2000
Interior Regions	92.2	96.3	98.7	0.79	0.56	1,141.9	1,309.7	1,427.2	1.55	1.88
GREAT LAKES**	42.1	43.6	44.4	0.14	0.44	549.3	620.5	670.3	1.07	1.67
Illinois	11.6	12.1	12.4	0.18	0.52	164.1	184.7	199.4	1.20	1.64
Indiana	5.6	5.7	5.9	0.16	0.47	66.3	75.9	82.5	0.96	1.84
Michigan	8.2	9.5	9.7	0.01	0.43	122.8	138.6	149.5	0.90	1.65
Ohio	10.8	11.1	11.3	0.06	0.31	135.5	152.1	163.6	1.02	1.58
PLAINS*	17.8	18.3	18.8	1.42	0.49	219.5	252.4	274.1	1.32	1.87
Iowa	2.8	2.9	3.0	0.32	1.42	33.4	38.1	41.3	0.18	1.79
Kansas	2.5	2.6	2.6	0.68	0.41	31.5	36.3	39.3	1.39	1.84
Minnesota	4.3	4.5	4.7	0.72	0.65	57.6	66.3	72.2	2.13	1.90
Missouri	5.1	5.3	5.4	0.56	0.46	63.8	72.9	79.3	1.90	1.82
SOUTHWEST**	25.1	26.5	27.3	2.11	1.72	289.1	338.0	372.8	2.63	2.14
Arizona	3.5	4.0	4.2	3.15	1.63	42.0	51.9	59.0	4.57	2.88
Oklahoma	3.2	3.3	3.3	0.98	0.27	31.8	34.7	40.0	0.97	1.87
Texas	16.8	17.6	18.1	2.17	1.59	197.3	228.3	250.3	2.58	2.00
ROCKY MOUNTAIN**	7.3	7.8	8.1	1.37	0.90	83.9	98.9	110.0	1.83	2.28
Colorado	3.3	3.6	3.8	1.65	1.14	43.6	51.8	57.9	2.67	2.39
Idaho	1.0	1.0	1.1	0.81	0.57	10.1	11.9	13.1	0.95	2.13
Utah	1.7	1.8	1.9	1.98	1.17	16.5	19.8	22.5	2.36	2.61
Alaska	0.52	0.54	0.55	3.08	0.45	8.0	8.7	9.3	2.51	1.22
Hawaii	1.11	1.23	1.29	1.62	1.37	14.8	17.7	19.7	2.77	2.42

* Population counts cover the estimated resident U.S. population as of July 1 and are based on Census Bureau projections.

** Includes smaller-population states within the Region not separately listed in this summary.

Source: U.S. Bureau of Economic Analysis:
Survey of Current Business (May 1990)

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

PER CAPITA INCOME--U.S., REGIONS, SELECTED STATES, 1988, 1995, 2000

	Per Capita Income: 1982 Dollars			% of U.S. Average			Average Annual Growth Rate (%)	
	1988	1995	2000	1988	1995	2000	1979-88	1988-2000
U.S.	$13,245	$14,469	$15,345	100%	100%	100%	1.53%	1.23%
Coastal Regions	13,761	14,982	15,860	104	104	103	2.00	1.19
NEW ENGLAND*	16,205	17,319	18,154	122	120	118	3.40	0.95
Connecticut	18,500	19,625	20,503	140	136	134	3.39	0.86
Massachusetts	16,736	17,861	18,694	126	123	122	3.69	0.93
MIDWEST*	15,239	16,545	17,477	115	114	114	2.45	1.15
New Jersey	17,780	18,985	19,932	134	131	130	3.42	0.96
New York	15,470	16,889	17,852	117	117	116	2.58	1.20
Pennsylvania	13,028	14,287	15,173	98	99	99	1.39	1.38
SOUTHEAST*	11,614	12,832	13,691	88	89	89	1.89	1.38
Florida	13,340	14,583	15,496	101	101	101	2.01	1.26
Georgia	12,262	13,450	14,297	93	93	93	2.60	1.29
N. Carolina	11,481	12,658	13,481	87	87	88	2.33	1.35
Tennessee	11,138	12,370	13,192	84	85	86	1.84	1.42
Virginia	14,189	15,448	16,345	107	107	107	2.72	1.19
FAR WEST*	14,575	15,752	16,622	110	109	108	1.11	1.10
California	15,070	16,241	17,113	114	112	112	1.26	1.06
Oregon	11,953	13,091	13,908	90	90	91	0.21	0.27
Washington	13,228	14,447	15,316	100	100	100	0.56	1.23
Interior Regions	12,380	13,599	14,465	93	94	94	0.75	1.31
GREAT LAKES*	13,042	14,245	15,098	98	98	98	0.93	1.23
Illinois	14,126	15,280	16,131	107	106	105	1.01	1.11
Indiana	11,937	13,201	14,031	90	91	91	0.80	1.36
Michigan	13,288	14,507	15,361	100	100	100	0.91	1.22
Ohio	12,486	13,679	14,531	94	95	95	0.96	1.27
PLAINS*	12,362	13,670	14,562	93	94	95	0.89	1.37
Iowa	11,777	12,998	13,849	89	90	90	0.14	1.36
Kansas	12,645	14,055	14,986	95	97	98	0.70	0,43
Minnesota	13,378	14,617	15,508	101	101	101	1.41	1.24
Missouri	12,414	13,683	14,592	94	95	95	1.33	1.36
SOUTHWEST*	11,527	12,748	13,633	87	88	89	0.50	1.41,
Arizona	12,029	13,105	13,926	91	91	91	1.38	1.23
Oklahoma	10,706	12,016	12,937	81	83	83	-0-	1.59
Texas	11,716	12,951	13,851	88	90	90	0.41	1.41
ROCKY MOUNTAIN*	11,531	12,717	13,577	87	88	88	0.45	1.37
Colordao	13,220	14,418	15,311	100	100	100	1.00	1.23
Idaho	10,119	11,325	12,181	76	78	79	0.14	1.56
Utah	9,791	10,827	11,605	74	75	76	0.37	1.43
ALASKA	15,302	16,075	16,765	116	111	109	-0.56	0.76
HAWAII	13,449	14,477	15,219	102	100	99	1.13	1.04

* Includes smaller population states within the Region not separately listed in this summary.

Source: U.S. Bureau of Economic Analysis: Survey of Current Business (May 1990)

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

The foregoing tables allow a comparison in expected developments in key indicators in the 1990s compared with the 1980s, and relative growth by regions and their larger states. Summarizing the picture in regard to per capita income growth:

PER CAPITA PERSONAL INCOME GROWTH RATES

	% Point Difference From U.S. Growth Rate*	
	1979-88	1988-2000
Regions which had above U.S. average growth rates in per capita income in 1979-1988, but which are expected to have below average growth in 1988-2000:		
NEW ENGLAND	+1.87	- .28
MIDEAST	+ .92	- .09
Region maintaining above average growth but at a lower rate:		
SOUTHEAST	+ .35	+ .15
Regions with below average growth in per capita income periods, but the spread is expected to diminish:		
FAR WEST	- .42	- .13
ALASKA	-2.09	- .47
HAWAII	- .40	- .20
Regions with below U.S. average growth in per capita income in 1979-1988, but expected to register above average in 1988-2000:		
PLAINS	- .64	+ .14
SOUTHWEST	-1.03	+ .17
ROCKY MOUNTAIN	-1.08	+ .14
Region with below average growth in 1979-1988, but expected to average almost even with U.S. growth in per capita income in 1988-2000:		
GREAT LAKES	- .60	- .01

*The U.S. average annual growth rate in per capita income was 1.53% in 1979-1988, and is projected to 1.23% in 1988-2000.

Major Metropolitan Areas

The BEA projections cover each of the 336 metropolitan areas in the U.S. -- based on data through 1988. The following table covers information reported for the 17 consolidated metropolitan statistical areas (CMSAs) defined as having more than 1 million residents and which consist of two or more primary metropolitan statistical areas (PMSAs). The geographic definition of each area has been held constant (as of June 1987) by the BEA for the entire historical and projected series, even though there may have been changes in their make-up over the years.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

Major Metropolitan Areas (continued)

BEA projections anticipate an average annual growth of almost 2.0% from 1988 to 2000 in total personal income in the U.S. as a whole. Above-average gains are projected for seven CMSAs in 1988-2000: at 2.4% each -- Denver, Los Angeles, Seattle; at 2.3% -- Portland (Oregon), San Francisco; at 2.2% -- Dallas, Miami. Growth in personal income in the period in Houston was expected to be at the U.S. average. The rates for the remaining 10 areas were expected to fall below average, and ranged from 1.8% (Philadelphia) down to 1.2% (Buffalo).

New York is projected to retain its position as the leading CMSA in size of total personal income, with income growth measured in 1982 dollars averaging a 1.6% annual gain in 1988-2000.

Expected growth in population, total personal income and per capita personal income in the 17 CMSAs are indicated in the following tables.

POPULATION AND PERSONAL INCOME: 1988, 1995, 2000,
MAJOR METROPOLITAN AREAS

	Population				Personal Income			
	Thousands of persons			Av. Annual Growth Rate %	Billions of 1982 Dollars			Av. Annual Growth Rate %
	1988	1995	2000	1988/2000	1988	1995	2000	1988/2000
U.S. Total	245,893	259,613	267,741	0.7	$3,255.6	$3,756.4	$4,108.4	2.0
CMSA								
Buffalo, NY	1,176	1,192	1,200	.2	15.2	16.7	17.6	1.2
Chicago, IL	8,181	8,537	8,747	.6	123.9	139.2	150.2	1.6
Cincinnati, OH	1,728	1,779	1,812	.4	22.8	25.8	27.9	1.7
Cleveland, OH	2,769	2,822	2,850	.2	38.4	43.0	46.2	1.6
Dallas, TX	3,766	4,006	4,142	.8	54.0	63.4	69.9	2.2
Denver, CO	1,858	2,037	2,153	1.2	27.2	32.3	36.1	2.4
Detroit, MI	4,620	4,736	4,803	.3	69.4	77.7	83.4	1.5
Houston, TX	3,641	3,847	3,960	.7	47.2	54.7	60.1	2.0
Los Angeles, CA	13,770	15,288	16,183	1.4	209.4	249.9	278.2	2.4
Miami, FL	3,001	3,237	3,372	1.0	44.2	51.9	57.3	2.2
Milwaukee, WI	1,572	1,630	1,660	.5	22.4	25.3	27.3	1.7
New York, NY	17,985	18,613	18,975	.4	319.9	359.0	386.3	1.6
Philadelphia, PA	5,963	6,241	6,413	.6	89.3	101.5	110.3	1.8
Pittsburgh, PA	2,284	2,321	2,345	.2	29.7	32.9	35.2	1.4
Portland, OR	1,414	1,535	1,604	1.1	18.7	22.1	24.4	2.3
San Francisco, CA	6,042	6,568	6,863	1.1	100.1	129.2	143.3	2.3
Seattle, WA	2,421	2,658	2,794	1.2	36.0	43.1	48.0	2.4

Source: U.S. Bureau of Economic Analysis:
Survey of Current Business (October 1990)

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

REGIONAL PROJECTIONS BY THE BUREAU OF ECONOMIC ANALYSIS

Population, Personal Income, Per Capita Income (continued)

Major Metropolitan Areas (continued)

A few of the CMSA's are projected to register above-average growth in per capita personal income in 2000 compared with 1988. The gain for the U.S. is estimated at 15.8%; however, the per capita average in Dallas is expected to be up 17.4%; Houston, 17.1%; Cleveland, 16.9%; Cincinnati, 16.6%. San Francisco will maintain its position as the CMSA with the highest per capita personal income, while the average for this area increases 15.6% in 2000 compared with 1988. (Dollars are measured in constant 1982 value, so inflation is not a factor in the increases.)

EXPECTED RANKING OF CONSOLIDATED METROPOLITAN STATISTICAL AREAS
BASED ON PER CAPITA AVERAGE PERSONAL INCOME IN 2000
(1982 dollars)

	1988	1995	2000	Rank in 2000	% Change Average 2000/1988
U.S. Total	$13,245	$14,469	$15,345	--	15.8
CMSA					
San Francisco	18,059	19,676	20,875	1	15.6
New York	17,789	19,289	20,357	2	14.4
Detroit	15,025	16,402	17,366	3	15.6
Philadelphia	14,975	16,261	17,198	4	14.8
Los Angeles	15,211	16,345	17,189	5	13.0
Seattle	14,890	16,216	17,188	6	15.4
Chicago	15,140	16,306	17,173	7	13.4
Miami	14,716	16,033	17,002	8	15.5
Dallas	14,365	15,818	16,866	9	17.4
Denver	14,664	15,877	16,782	10	14.4
Milwaukee	14,237	15,531	16,464	11	15.6
Cleveland	13,883	15,250	16,227	12	16.9
Cincinnati	13,193	14,494	15,379	13	16.6
Portland, OR	13,209	14,385	15,235	14	15.3
Houston	12,955	14,217	15,172	15	17.1
Pittsburgh	13,019	14,187	15,008	16	15.3
Buffalo	12,926	13,979	14,687	17	13.6

Source: Based on BEA projections

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

The BEA series of projections for the U.S., regions, states and metropolitan areas include employment data for 1988 through 2000. Data on trends in the makeup of the work force in terms of age, sex and race, as well as industry and occupation are tools in measuring consumer market trends. Except where measurements involve population already born (such as the working age population age 16 and over), the BLS projections are in three series involving alternative assumptions on growth in specific components ranging from high to medium to low.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

The Labor Force

Population is of course the most important single factor governing the size and composition of the labor force which includes people either working or looking for work. Changing developments, such as labor force participation of women, must also be considered. In 1988, the civilian labor force totaled 121.7 million, and the BLS projects a total of 141.1 million in 2000. This represents a 16% increase compared with a 26.5% jump in the period 1976-1988, and the slowdown is attributable to slower population growth.

The end of the baby boom in 1965 changed the profile of the U.S. labor force in the 1980s. Fewer young workers resulted in the share of the labor force represented by civilians age 16 to 24 dropping from 24.3% in 1976 to 18.5% in 1988, and to a projected 16% by 2000. The group declined 3.4% in number. An upturn at the youngest end of the labor force population has now begun, as the children of the baby boomers enter the force, but the number age 22 to 24 will not increase until after 1998.

Baby-boomers, born between 1946 and 1964, were entirely in the prime age (25-to-54) work force for the first time in 1989, and this will continue to 2000. This key target market for consumer goods is expected to account for 71.8% of the total labor force in year 2000, compared with 69.1% in 1988, and 60.8% in 1976.

The BLS moderate growth projections indicate significant changes in labor force participation rates among different population groups. Older men (age 55-64) for example, had tended to drop out at an increasing rate in the 1977-88 period. A reversal in this trend is expected in the 1990s. In 1976, 74.3% of men of this age were in the labor force; in 1988, only 67%. The rate is projected to 68.1% in 2000.

Women are expected to continue to represent a growing share of the civilian labor force, but the growth rate is slowing down, particularly among younger women. The current sharp rise in the birth total, with over 4 million babies born in 1990, along with the scarcity of child care, and the growing inclination among mothers to stay with their young children are the main factors in this trend. A recent BLS report on the work force participation rate for women with children under 1 year of age, which rose sharply in the 1980s, has leveled off at 52% since 1987. In the immediate present, the economic slowdown, particularly affecting businesses in which women are heavily represented, will lower labor force participation, as women drop out. College enrollment among women age 20 to 24 is increasing, another factor in the slowdown in labor force participation by younger women. However, the rate for older women is expected to increase.

The male work force is projected to grow by 7.4 million (11%) in the 1988-2000 period, while their share of the total drops from 55% to 52.7%. The female force is projected to increase by over 12 million, and hold an increased share, from 45% to 47.3%.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

The Labor Force (continued)

Males in the prime age group (25-54) in the work force are expected to increase by 6.8 million from 1988 to 2000, but their share of the total labor force will drop from 38.21% to 37.7%. Comparable figures for women age 25 to 54 show an expected gain of 10.4 million in the labor force, to represent 34.1% of the total by 2000 vs. 31% in 1988. Women age 45 to 54 will show the biggest gain (up to 69%, or 5.9 million). These reflect the baby boom generation, representing an experienced work force of career women as well as those staying on their jobs due to economic necessity.

The changes in the work force composition have an affect on earnings. According to Frank Levy, a University of Maryland labor economist (quoted in the N.Y. Times, November 24, 1990), the slower rate of growth in labor force participation by women might help reverse a 20-year trend in which median incomes of all workers have failed to keep up with inflation. Fewer available women workers would tend to raise pay.

In addition to sex and age, the changing profile of the civilian labor force in terms of race and Hispanic origin, and in employment in terms of industry division and occupations, are important factors in measuring consumer market prospects. All of these factors, and more, are considered in the detailed BLS data and highlighted in this Fact File.

PROFILE OF THE CIVILIAN LABOR FORCE, 1976, 1988, 2000 BASED ON MODERATE GROWTH PROJECTION
(Numbers in thousands)

Group	Labor Force Number			% of Civilian Population			% Change 1976/ 1988	% Change 1988/ 2000	% Distribution			Growth Rate 1976/ 1988	Growth Rate 1988/ 2000
	1976	1988	2000	1976	1988	2000			1976	1988	2000		
Total, 16 & over	96,158	121,669	141,134	61.6	65.9	69.0	26.5	16.0	100.0	100.0	100.0	2.0	1.2
16 to 24	23,339	22,535	22,456	65.3	68.4	71.3	-3.4	-0.4	24.3	18.5	15.9	-0.3	0.0
25 to 54	58,502	84,041	101,267	74.9	82.9	87.1	43.7	20.5	60.8	69.1	71.8	3.1	1.6
56 and over	14,319	15,094	17,411	33.9	30.0	30.6	5.4	15.4	14.9	12.4	12.3	0.4	1.2
Men, 16 & over	57,174	66,927	74,324	77.5	76.2	75.9	17.1	11.1	59.5	55.0	52.7	1.3	0.9
Women, 16 & over	38,983	54,742	66,810	47.3	56.6	62.6	40.4	22.0	40.5	45.0	47.3	2.9	1.7
White, 16 & over	84,768	104,756	118,981	61.8	66.2	69.5	23.6	13.6	88.2	86.1	84.3	1.8	1.1
Black, 16 & over	9,549	13,205	16,465	58.9	63.8	66.5	38.3	24.7	9.9	10.9	11.7	2.7	1.9
Asian and other 16 & over*	1,827	3,708	5,688	62.8	64.8	65.5	103.0	53.4	1.9	3.0	4.0	6.1	3.6
Hispanic, 16 & over**	4,279	8,890	14,321	60.7	67.4	69.9	109.9	59.5	4.4	7.4	10.1	6.4	4.0

* The "Asian and other" group includes American Indians, Alaskan Natives, Asians, and Pacific Islanders. The historical data are derived by subtracting "Black" from the "Black and other" group; projections are made directly.

** Persons of Hispanic origin may be of any race.

Source: U.S. Bureau of Labor Statistics: Monthly Labor Review, Nov. 1989: Outlook 2000, Bulletin 2352 (April 1990)

The Labor Force (continued)

American workers, as noted above, will be a more diverse group by year 2000. White non-Hispanic men will make up a smaller share; women and minority group members will increase their share. White non-Hispanics have been the largest component of the U.S. labor force, but their share is dropping and is expected to fall to about 74% by 2000. Blacks, Hispanics, Asians and other groups will account for roughly 33% of labor force entrants between 1988 and 2000, according to BLS projections.

Employment and Earnings

The outlook portrayed in projections by both the Bureau of Economic Analysis and the Bureau of Labor Statistics is for a much slower rate of growth in employment and earnings, with major shifts in the profile of the work force by industry and by job type, along with its composition (age, sex, race).

In its series based on moderate growth assumptions, the BLS projects a gain of 18 million jobs in the 1988-2000 period, representing a 15.3% increase, or about half the 29.5% gain in the 1976-1988 period, when jobs were up by over 29 million. The BEA projections anticipate an average growth of 1.12% a year in 1988-2000 compared with the 1.92 annual average growth recorded in 1979-1988. Total earnings (in 1982 dollars) are projected to grow at an annual average 1.94% in 1988-2000, slower than the 1979-1988 rate (2.02%).

Major industries in which earnings growth rates are projected to exceed or about equal the all-industry average of 1.94% per year are services: finance, insurance and real estate, and retail trade. On the other hand, below-average earnings growth is expected in mining, farming, manufacturing, wholesale trade, construction, transportation, public utilities and federal, state and local government.

The entire service-producing area is expected to show the greatest gains in employment whole goods, etc. 33.7 million in 2000 compared with 25 million in 1988, according to the BLS. However, the rate of growth is expected to average only 2.5% a year between 1988 and 2000, well below the 4.8% growth rate during the 1976-88 period; although stronger than the growth rate projected for any other industry division.

Growth in service jobs, encompassing a diverse group including health, business, personal and recreational service, etc., is expected to lead to employment totaling 33.7 million in 2000 compared with 25 million in 1988, according to the BLS. However, the rate of growth is expected to average only 2.5% a year between 1988 and 2000, well below the 4.8% growth rate during the 1976-88 period; although stronger than the growth rate projected for any other industry division.

Retail trade will be the second largest of the major divisions by 2000, surpassing manufacturing employment. Retail jobs are projected to increase by 3.8 million between 1988 and 2000, to reach a total of 22.9 million. However, the projected rate (moderate growth series) of 1.5% is well below the 3.1% rate in 1976-88. Many jobs in retail trade are part-time and relatively low pay; average weekly earnings have been declining in inflation-adjusted terms.

Employment and Earnings (continued)

Overall projections on the composition of employment rolls covering wage and salary workers, based on the moderate-growth series, anticipate a 22% gain in the executive, administrative and managerial employment, though their share of total employment will rise only slightly, from 10.3% in 1988 to an expected 10.8% by 2000. Service occupations will increase their share from 15.6% to 16.6%; professional specialty, from 12.3% to 13.3%.

International developments, and the degree to which U.S. businesses can become competitive in world markets, are the major factor in how specific U.S. industries and the employment structure will fare in coming years. In the fast-changing global economy, the U.S. is losing ground as other countries, particularly Japan, forge ahead. At this point, relatively few U.S. industries--and only a few companies within these industries--are geared to be significant players in global competition. Some major segments of U.S. employment, such as retailing, can hardly benefit at all by the new direction. By year 2000, the low rather than moderate growth projections of the BLS may be the more accurate measure of results if the U.S. cannot meet increasingly stringent educational requirements in industry and the need for growth in productivity.

In addition to competition abroad, U.S. industry faces direct competition at home, as foreign investors acquire or establish U.S. businesses at a growing rate; and in most instances they have majority control. In the 7-year period 1983-89, foreign investment outlays totaled $263.1 billion and 6,835 business establishments were involved, according to the Bureau of Economic Analysis. Employment in the U.S. in nonbank U.S. affiliates totaled 3.7 million in 1988 (3.2 million in 1987), distributed as follows by ultimate beneficial owner: United Kingdom 20%, Canada 19%, Japan 11%, Germany 10%, Neterlands 8%, France 7%, U.S. 1%, other countries 23%.

The plan of the European Economic Community to create a single market by 1992 will have consequences for workers in both the United States and Europe. The move will not only have an economic but a political and social impact--the extent of which is being debated in the U.S. and abroad.

In March 1990, the Bureau of International Labor Affairs, U.S. Dept. of Labor, in conjunction with the Center for Strategic and International Studies, co-sponsored a roundtable conference on "EC 1992: Implications for U.S. Workers". The major themes that evolved in the conference, which was attended by experts in many fields, are discussed in detail in the Monthly Labor Review (Nov. '90).

EC 1992 will hasten the process of corporate globalization, and European companies are expected to acquire a competitive advantage in the third-country markets, as common European standards become the global standard. It is expected that some investors will be distracted away from the U.S. A conference paper concluded that an overall reduction of 2.4% might occur in U.S. exports. (The U.S. Dept. of Commerce estimates that a 3% decline in U.S. exports could displace up to 200,000 workers.) In the longer run, increased growth in the European Community is likely to result in increased trade with the U.S.; however, the consensus at the conference indicated that educated, highly skilled, high-tech workers will benefit more than lower skilled production workers displaced by imports. Specific industries in the U.S. will be affected more than others, as shown in examples covered at the conference (automobile, electronics, and entertainment/mass media industries).

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

Employment and Earnings (continued)

It is expected that a North American Common Market will be set up in 2 or 3 years, expanding the U.S. and Canada trade pact to include Mexico. This would embrace a market of 360 million people without trade barriers--larger than Europe '92, the integrated European markets. It is hoped this will help the competitive position of the U.S and its partners.

It is interesting to note in this context, that the shortage of skilled labor is a problem that the government is starting to address. A new law passed in 1990 by Congress will expand immigration by 200,000 year, to a total 700,000. Included are 140,000 with skills to fill specific jobs where the Department of Labor certifies that shortages exist. Belated attention is being turned to the need to improve U.S. educational standards and results.

Employment by Industry

U.S. EMPLOYMENT BY MAJOR INDUSTRY DIVISION, 1976, 1988 AND PROJECTED TO 2000

	Employment					Annual Rate of Change			
			2000 Projected			1976	1988-2000		
	1976	1988	Low	Moderate	High	1988	Low	Mod.	High
Total (thous.)	89,942	118,104	127,118	136,211	144,146	2.3%	.6	1.2	1.7
Nonfarm wage & salary (%)	100.0	100.0	100.0	100.0	100.0	2.4	.7	1.3	1.7
Goods producing	29.5	24.1	20.6	21.0	21.5	.7	-.6	.1	.8
Mining	1.0	.7	.6	.6	.6	-.6	-.8	-.2	1.1
Construction	4.5	4.9	4.8	4.8	4.9	3.0	.6	1.2	1.8
Manufacturing	24.0	18.5	15.2	15.6	16.0	.2	-.9	-.1	.5
Durable	14.0	10.9	8.9	9.2	9.5	.3	-1.0	-.2	.6
Nondurable	10.0	7.6	6.3	6.4	6.5	0	-.9	-.1	.4
Service-producing	70.5	75.9	79.5	79.0	78.5	3.0	1.1	1.6	2.0
Transportation & utilities	5.8	5.3	5.0	5.0	5.1	1.6	.2	.8	1.4
Wholesale trade	5.7	5.7	5.7	5.7	5.8	2.4	.6	1.2	1.8
Retail trade	16.7	18.2	18.6	18.7	18.5	3.1	.9	1.5	1.9
Finance, insurance, real estate	5.4	6.4	6.4	6.4	6.3	3.8	.8	1.3	1.6
Services (personal, health, etc.)	18.0	23.8	27.7	27.6	27.3	4.8	2.0	2.5	2.9
Government	18.8	16.6	16.0	15.6	15.5	1.3	.4	.7	1.2
Agriculture	--	--	--	--	--	- .3	-1.3	-.3	.1
Private households	--	--	--	--	--	-1.5	-1.1	-.4	0
Nonfarm self-employed, unpaid family	--	--	--	--	--	3.0	.4	1.1	1.7

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review (November 1989)

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

Employment By Occupation

Studies by the BLS on consumer expenditure patterns in relation to occupational status indicate that even after controlling for income and education, the pattern in spending for selected goods and services such as food, transportation, housing, reading materials, entertainment, occupation-related items, and apparel are directly affected by occupational environment and job field. The patterns in spending are developed by the BLS in on-going consumer expenditure studies.

As employment of service and white-collar workers continues to grow, and that of high-wage blue collar positions to decline, changes in consumption at the aggregate level may occur. (Monthly Labor Review, December 1989)

U.S. EMPLOYMENT BY OCCUPATION, 1988 AND PROJECTED TO 2000
(Moderate Growth Series)
(Number in thousands)

	1988		2000		% Change
	Number	%	Number	%	2000/1988
Total, all occupations*	118,104	100.0%	136,211	100.0%	15.3%
Executive, administrative & managerial	12,104	10.3	14,762	10.8	22.0
Professional specialty	14,628	12.3	18,137	13.3	24.0
Technicians & related support	3,867	3.3	5,089	3.7	31.6
Marketing & sales	13,316	11.3	15,924	11.7	19.6
Administrative support, incl. clerical	21,066	17.8	23,553	17.3	11.8
Service occupations	18,479	15.6	22,651	16.6	22.6
Agricultural forestry, fishing & related	3,503	3.0	3,334	2.4	-4.6
Precision production, craft, repair	14,159	12.0	15,563	11.4	9.9
Operators, fabricators, laborers	16,983	14.4	17,198	12.6	1.3

* Includes total employment of wage and salary workers, self-employed and unpaid family workers.

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review and OUTLOOK 2000 (Bulletin 2352)

The Regional Outlook

The U.S. Bureau of Economic Analysis has compiled projections on growth rates in employment and earnings by regions of the country which can be measured against the U.S. average. The impact of industries benefitting from foreign revenues is apparent in the spotty picture of regional or state growth. Export-oriented and import-competing industries are mainly responsible for above-average performance expected in some regions by year 2000.

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

The Regional Outlook (continued)

A concentration of industries with lower growth rates in specific regions of the country sets the stage for a new pattern in regional importance.

AVERAGE ANNUAL GROWTH RATE IN EMPLOYMENT AND EARNINGS
U.S. AND REGIONS: 1979-88, 1988-2000

	Employment*		Earnings	
	1979/88	1988/2000	1979/88	1988/2000
U.S. Total	1.92%	1.12%	2.02%	1.94%
Coastal regions	2.28	1.17	2.79	1.98
New England	2.50	.97	3.97	1.63
Mideast	1.66	.88	2.51	1.62
Southeast	2.43	1.16	2.65	2.12
Far West	2.70	1.59	2.88	2.38
Interior regions	-.58	-.09	-1.26	-.08
Great Lakes	-1.06	-.18	-1.75	-.28
Plains	-.74	-.19	-1.43	-.09
Southwest	.31	.07	- .21	-.17
Rocky Mountains	-.17	.19	-1.04	.39

* Number of jobs

Source: U.S. Bureau of Economic Analysis: Survey of Current Business (May 1990)

Coastal regions -- The slow growth in earnings projected for New England is centered in manufacturing and related service industries and in construction, adversely affected by an anticipated slowing in defense-related business and a weakening in the region's competitive position averaging better than the U.S. total in 1988-2000: New Hampshire (2.05) and Vermont (1.97). The lowest rate was projected for Connecticut at 1.44%.

Earnings growth in each of the six states in the Mideast is expected to fall below the U.S. annual average in the 1988-2000 period. The sharpest slowdown is expected to be in New York's rate, projected to average 1.46% in 1988-2000, .48 below the U.S. average and down from an average 2.96% annual growth in earnings in 1979-1988. The downturn in the importance of New York in financial and investment services is a key factor. Weakness in manufacturing and a slowing in defense business are also factors in the expected slowdown in the region's earnings growth.

The Regional Outlook (continued)

Coastal region (continued) -- Above-average earnings growth in the Southeast in the 1988-2000 period is projected as the region benefits from its relatively low wage rates in attracting manufacturing. Growth in amusement and recreation services is also anticipated, as well as gains in wholesale and retail trade. Above U.S. average growth in earnings is projected for Florida, Georgia, Virginia, Tennessee, and North Carolina. Slower than average is anticipated for the seven other states in the Southeast.

The Far West's above-average earnings growth in 1988-2000 is centered in durables manufacturing and private service-type industries. Industries and services related to advanced technology are the main strengths of the area, which will spill over to gains in construction both industrial and consumer. Average annual growth rates in the regions are projected to range from 2.08% in Nevada to 2.09% in Oregon.

Interior regions -- Growth in earnings, as well as the other indicators, is expected to continue to lag below-average in each of the Great Lakes States (Illinois, Indiana, Michigan, Ohio, Wisconsin). The tendency for durables manufacturers to disperse to areas offering lower wage, energy and land costs, and lower taxes are cited by the BEA, as well as strong foreign competition which has limited growth in the automotive industry, as causes for the lag. The projected rate of population growth, slower than in any other region, will dampen consumer demand for goods and services.

The BEA expects slower growth in food processing and related private service-type industries to contribute to weak earnings growth in the Plains region in 1988-2000 compared with the U.S. average, although the growth in earnings in each of the region's states will be better than the rate in 1979-1988, and the spread in averages from the U.S. total appears to be diminishing due to growth in durables manufacturing industries in Minnesota and North Dakota.

The Southwest's earnings growth will be helped by strength in industries that manufacture transportation and electronic equipment, as well as in services related to amusement, recreation and air transportation. An unmeasured factor would be sharply rising oil prices should this develop over the long term. The BEA projections for states in the Southwest ranged from an earnings growth averaging 2.86% in Arizona to 1.95% in Texas in 1988-2000.

The Rocky Mountain region as a whole is expected to show above-average gain in earnings due to projected growth in technologically advanced industries. Population growth is expected to be strong, and will help boost earnings in construction and related financial real estate services, but slow growth is anticipated in mining activity. Above-average growth in earnings is projected for Utah, Colorado and Idaho; slower growth in Wyoming and Montana.

Based on BEA data, the following table shows the regional distribution in the number of jobs and in earnings in 1979 and projected for 1995 and year 2000. As previously noted, these projections are based on extension of past economic relationships (through 1988) and assume no major policy changes or major upheavals.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

• THE LABOR FORCE, EMPLOYMENT AND EARNINGS

The Regional Outlook (continued)

EMPLOYMENT AND EARNINGS, SELECTED YEARS 1979-2000
SHARE HELD BY EACH REGION

	Number of Jobs				Earnings			
	1979	1988	1995	2000	1979	1988	1995	2000
U.S. Total (# of jobs in thous.; earnings in bil. of 1982 $)	111,632	132,503	144,017	151,450	$1,994.8	$2,388.8	$2,747.3	$3,009
% U.S. total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Regions								
Coastal	60.7	62.6	62.8	63.0	60.0	64.1	64.3	64.5
New England	5.8	6.1	6.0	6.0	5.5	6.5	6.3	6.2
Mideast	18.4	18.0	17.7	17.5	19.7	20.5	20.0	19.8
Southeast	22.1	23.1	23.2	23.2	19.3	20.4	20.7	20.8
Far West	14.4	15.4	16.0	16.3	15.5	16.7	17.3	17.6
Interior	38.6	36.7	36.4	36.3	39.3	35.1	34.9	34.8
Great Lakes	18.2	16.5	16.3	16.2	19.7	16.9	16.5	16.3
Plains	8.2	7.7	7.6	7.5	7.6	6.7	6.7	6.6
Southwest	9.2	9.5	9.5	9.6	9.1	9.0	9.1	9.1
Rocky Mountain	3.0	3.0	3.0	3.0	2.8	2.6	2.7	2.7
Alaska	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.2
Hawaii	0.5	0.5	0.5	0.5	0.4	0.5	0.5	0.5

Source: Based on BEA Projections 1979-2000

Employment: Major Metropolitan Areas

According to BEA projections for the consolidated metropolitan statistical area job growth in the next 10 years is expected to be greatest in the San Francisco and Los Angeles, Seattle, and Denver CMSAs, with each registering an annual gain of 1.5% or better in the 1988-2000 period, compared with the national average rate of 1.1%. The lowest growth rates among the 17 CMSAs were noted for Buffalo, Cleveland and Pittsburgh--each averaging 0.7% growth in jobs in the 1988-2000 period.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

THE LABOR FORCE, EMPLOYMENT AND EARNINGS

Employment: Major Metropolitan Areas (continued)

JOB GROWTH IN THE CONSOLIDATED METROPOLITAN STATISTICAL AREAS: 1988, 1995 AND 2000

	Thousands of Jobs			Average Annual Growth Rate
	1988	1995	2000	1988-2000
U.S. total	132,503	144,017	151,450	1.1%
Consolidated Metropolitan Areas				
Buffalo	612	645	665	.7
Chicago	4,482	4,849	5,085	1.1
Cincinnati	939	1,010	1,055	1.0
Cleveland	1,480	1,557	1,607	.7
Dallas	2,261	2,481	2,624	1.2
Denver	1,181	1,315	1,406	1.5
Detroit	2,366	2,521	2,623	.9
Houston	1,905	2,068	2,177	1.1
Los Angeles	7,662	8,633	9,253	1.6
Miami	1,692	1,866	1,980	1.3
Milwaukee	937	1,055	1,047	.9
New York	10,163	10,801	11,193	.8
Philadelphia	3,225	3,469	3,629	1.0
Pittsburgh	1,105	1,164	1,203	.7
Portland, OR	824	910	965	1.3
San Francisco	3,749	4,220	4,523	1.6
Seattle	1,464	1,644	1,757	1.5

Source: U.S. Bureau of Economic Analysis:
Survey of Current Business (October, 1990)

PERSONAL CONSUMPTION EXPENDITURES

Spending by the nation's consumers for goods and services represent almost two-thirds of total gross national product (GNP), and is therefore a key barometer of the health of the economy. Spending is affected by the levels of employment and income, as well as the demographics of the population. As noted, various governmental bodies have worked to get a handle on the probable course of growth in these measurements. But spending is also affected by consumer psychology--or confidence levels, on world conditions as well as those at home, on the availability of credit and many factors that change rapidly, as we are seeing currently.

However, ruling out the imponderables, and looking at basics, some general guides on expected growth trends in consumer spending by major product type are offered in projections by the Bureau of the Census and the Bureau of Labor Statistics.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

PERSONAL CONSUMPTION EXPENDITURES

Bureau of Labor Statistic's projections anticipate that consumer spending will grow at a slower rate in the coming decade than at virtually any time in the post-war era. This is a reflection of slower population growth and lower household formation rates, as well as generally slower growth in disposable income. The slowdown in income occurs because of generally slower economic growth and an increasing tax take, as an ever larger share of income falls into higher tax brackets, and as rates rise steadily for state and local taxes.

In 1990, measured in 1982 dollars, personal consumption expenditures (PCE) represented 64.5% of GNP according to preliminary data. This was about the same as in 1989. In 1988 it was 64.9%. BLS projections cover measurements for 1976, 1988 and projections to year 2000. The following shows moderate growth (out of the series of high, moderate and low projections compiled by the Bureau). By year 2000, the BLS expects the share of GNP represented by consumer spending to drop back down to about 64.3%, assuming a moderate 2.3% average growth in the GNP, measured in 1982 dollars.

GROSS NATIONAL PRODUCT & PERSONAL CONSUMPTION EXPENDITURES: 1976, 1988, AND PROJECTED TO 2000

In Constant (1982) Dollars:

	Billions			% Distribution			Av. Annual Rate of Change	
	1976	1988	2000	1976	1988	2000	1976-1988	1988-2000
GNP	$2,826.7	$3,996.1	$5,222.4	100.0	100.0	100.0	2.9	2.3
PCE	1,803.9	2,592.2	3,356.5	63.8	64.9	64.3	3.1	2.2
Major components:				100.0	100.0	100.0		
Motor vehicles, parts	109.6	177.7	220.5	6.1	6.9	6.6	4.1	1.8
Other durables*	215.0	392.4	532.5	11.9	15.1	15.9	5.2	2.6
Fuels	185.9	204.3	222.1	10.3	7.9	6.6	0.8	0.7
Other nondurables	496.1	616.7	758.1	27.5	23.8	22.6	1.9	1.8
Housing	273.3	366.5	471.6	15.1	14.1	14.0	2.5	2.1
Other services	524.1	834.6	1,151.6	29.1	32.2	34.3	4.0	2.7

*A useful life of 3 years or more. Includes furniture, household equipment, etc.

Source: U.S. Bureau of the Census and U.S. Bureau of Labor Statistics (Monthly Labor Review, November 1989),

Nondurables (clothing, food, other): According to the BLS analysis, in the short run apparel sales can be quite volatile, depending on the match between consumers' fashion preferences and manufacturers' offerings. Long-term growth, however, is more sensitive to growth in population and income than to fashion trends, and these factors undercut clothing spending growth over the projection period. The only strength in this sector, according to the BLS, comes from a moderation in price increases, due to the slower descent of the dollar, and increased domestic sourcing by the apparel industry.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

PERSONAL CONSUMPTION EXPENDITURES

While never a rapid growth category, food spending is also expected to slow in real terms, due primarily to slower population growth, although slower income growth is expected to limit growth in restaurant business.

Real spending for other nondurables, such as drugs, toiletries, tobacco, cleaning supplies, etc., is expected to be relatively slow, due primarily to the shrinking number of homemakers.

Motor vehicles and parts: The U.S. automotive market has reached a plateau, according to the BLS. Virtually all the macroeconomic determinants of car sales--the labor force, the number of households, the driving-age population--are going to grow more slowly in this decade than in the past 12 years, resulting in a slower rate of sales growth. The cost of car ownership is also expected to rise, including higher gas prices, while real incomes are showing slower growth. Longer trade-in cycles and a lower scrappage rate are anticipated. Parts sales, however, will be stronger as cars are held longer.

Housing: Expectations on the market for new housing have been upset by the recent sharp drop in housing values. Homeowners expecting to sell their homes at a nice profit and trade up are now faced with eroding values and few buyers. In spite of falling prices and lower mortgage rates, the immediate market offers prices that are still unaffordable for many first time buyers, faced with little growth in income, unemployment, or high debt levels.

The BLS had projected overall spending on housing, including rents, which grew at an average annual rate of 2.6% from 1976-1988 to drop to 2.1% growth rate in the remainder of the century. Now housing construction was projected to average 1.315 million between 1988 and 2000, down from 1.732 million per year in 1976-1988. This will take a strong turn-around, however. Privately-owned housing unit starts in 1990 numbered 1.193 million, 13% below the 1989 total of 1.376 million, according to preliminary Census Bureau estimates. This was the lowest level since 1982. F.W. Dodge reported the value of residential building construction in 1990 total $105.1 billion, 14% below the 1989 total of $122.7 billion.

A study released by the Economic Policy Institute in August 1990 concluded that nearly one-third of Americans are "shelter poor", spending so much of their income on housing that they cannot afford other necessities. About 27 million households are unable to adequately meet their nonshelter needs. These comprise 78 million people, or 32% of the population, according to the study. The number of households involved increased from 18.7 million in 1970, a gain of 42%. The study said 42% of those who rent their homes and 22% of homeowners were shelter poor in 1987. The study, compiled at the University of Massachusetts in Boston, assumes a family pays its rent or mortgage first, then uses what is left to pay for basic needs.

KEY MARKET INDICATORS PROJECTED TO YEAR 2000

PERSONAL CONSUMPTION EXPENDITURES

Furniture, household equipment, other durable goods: Real spending on furniture, household equipment, and other durable goods was the fastest growing component of consumer spending over the past 12 years, increasing at an average annual rate of 5.2% between 1976 and 1988 on a constant dollar basis, elminating the effects of inflation. In that period, the baby-boom generation was in its prime household-forming stage. "High tech" consumer electronics came on the market and were snapped up by this generation. Rapid advances in technology brought new, sophisticated electronic products into the market at lower prices.

Along with the expected slowdown in the rate of household formation and the age composition of the popultion as well as real spending power, growth in sales of products in the "other durable goods" category is projected to slow dramatically from the 5.2% average rate in 1976-1988 to 2.6% in 1988-2000.

Services: The jump in the number of two-earner families and single heads of household over the last 12 years has resulted in increasing demand for all sorts of personal services. Larger proportions of income are also being spent on legal and financial services, and on medical care. Personal consumption of services is expected to register the highest growth of all consumption categories--2.7% each year between 1988 and 2000. Soaring medical costs are likely to be responsible for much of this gain.

A rise in consumer debt while savings as a percent of disposable income plunged (dropping from 7.5% in 1981 to a low of 2.9% in 1987), fueled growth in consumer spending in the 1980s. However, marketers should not look to consumer indebtedness as a source of growth in the 90s, according to Ira Kalish, senior consultant and economist for Management Horizons.

Consumer debt as a percent of personal income is at an historic peak at about 16%. The bulk of the population--the baby-boom generation--are at the point where they will begin to save more, according to Kalish, putting away money for future expenses, such as their children's education and their own retirement.

The chief increase in savings will have to be driven by the higher-income households, however. There may be relatively fewer of them, though they will control more of the nation's wealth. (See section on Household Wealth in CURRENT MARKET STATISTICS section.) Some analysts see the growth gap between rich and poor Americans as a fundamental development in the economy. According to retail consultants, Management Horizons, by year 2000 the number of households with annual incomes of $15,000 or less (in 1984 dollars) will represent about 36% of the U.S. total households vs. 31.2% in 1970. Retailers, manufacturers and service suppliers will be faced with new challenges to meet the needs and buying patterns of more downscale consumers.

Population Growth in the 1980s

Results of the 1990 Census recently announced by the Census Bureau, place the total U.S. population at 249,633,000 (including Armed Forces Overseas). This figure has been challenged--particularly by state and local governments--as too low, particularly in undercounts of minorities, the homeless, and other segments of the population. Revisions may be issued by the Census Bureau, if warranted, in mid-July 1991.

Regardless of the outcome, details on the composition of the population by age, sex, race and Hispanic origin and probable growth trends are available. The final 1990 counts are not expected to radically change projections already published by the Census Bureau and summarized in the section on KEY MARKET PROJECTIONS, but very detailed data on consumers will be made available covering regions, states and local market areas.

Available data on demographic characteristics in 1989/1990 compared with earlier years, as well as other current indicators affecting consumer markets are the focus of this Section.

An important trend in population composition in recent years--which will continue--is its aging, as the median age rose from 30 years in 1980 to 32.7 years in 1989. Another development is the growing share of the population represented by minority groups, particularly people of Hispanic origin, and the non-white population of various social origins.

Another development in the 1980s was the growth of the male population at a faster rate than the female--9.5% vs. 8.9% in the 1980-89 period. This shift from historical trends was attributed to a lessened female advantage in deaths as well as a surplus of male immigrants. One consequence was that in 1989 there were more men than women in each age through 34. In 1980, men outnumbered women only through age 26.

SUMMARY INDICATORS OF POPULATION DISTRIBUTION: 1980, 1986-89
(Includes Armed Forces Overseas. As of July 1)

	1989	1988	1987	1986	1980
Total population (thous.)	248,762	246,307	243,942	241,625	227,757
Median age	32.7	32.3	32.0	31.7	30.0
Mean age	35.2	35.1	35.0	34.8	34.0
Males per 100 females	95.4	95.3	95.2	95.2	94.9
Percent distribution by race:					
All races	100.0	100.0	100.0	100.0	100.0
White	84.1	84.3	84.5	84.7	85.9
Black	12.4	12.3	12.2	12.2	11.8
Other races	3.5	3.4	3.2	3.1	2.3
Percent of Hispanic origin*	8.3	8.1	7.9	7.7	6.5

* Hispanics may be of any race.

Source: U.S. Bureau of the Census: Current Population Reports (Series P-25, No. 1057) (March 1990)

Population Growth in the 1980s (continued)

CHANGES IN POPULATION BY AGE, SEX, RACE, AND HISPANIC ORIGIN: 1980, 1989

(Number in thousands. Includes Armed Forces Overseas, as of July 1)

			% Change	% of Total	
	1989	1980	1989/80	1989	1980
Total all ages	248,762*	227,757*	9.2	100.0	100.0
Under 5 years	18,752	16,458	13.9	7.5	7.2
5 to 13 years	31,834	31,095	2.4	12.8	13.6
14 to 17 years	13,496	16,142	-16.4	5.4	7.1
18 to 24 years	26,564	30,350	-12.5	10.7	13.3
25 to 34 years	44,048	37,625	17.1	17.7	16.5
35 to 44 years	36,584	25,868	41.4	14.7	11.4
45 to 54 years	24,905	22,754	9.5	10.0	10.0
55 to 64 years	21,593	21,762	-0.8	8.7	9.5
65 to 74 years	18,182	15,653	16.2	7.3	6.9
75 to 84 years	9,761	7,781	25.4	3.9	3.4
85 years and over	3,042	2,269	34.0	1.2	1.0
65 years and over	30,984	25,704	20.5	12.4	11.3
Male	121,445	110,888	9.5	48.8	48.7
Female	127,317	116,869	8.9	51.2	51.3
White	209,326	195,571	7.0	84.1	85.9
Black	30,788	26,903	14.4	12.4	11.8
Other races	8,647	5,283	63.7	3.5	2.3
Asian or Pacific Islander	6,881	3,834	79.5	2.8	1.7
American Indian, Eskimo, or Aleut	1,737	1,429	21.6	0.7	0.6
Hispanic origin	20,528	14,803	38.7	8.3	6.5

* The Armed Forces Overseas count in 1989 was 523,000; in 1980, 502,000.

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-25, No. 1057)

The population projection tables in the first section of this FACT FILE, and the following data on the resident U.S. population, show the continuing impact on all facets of consumer market developments by the surge in births in 1946-64. In 1989, the population born in the baby boom years were all in the 25-43 year age group, which encompassed 77,455,000 people, or 31% of the total resident population. At the baby boom peak in 1961, 4,268,000 babies were born, and survivors are now 30 years of age. All the group are maturing, and adopting new life styles that will affect consumer marketing for years to come. The population age 35-44 has been the fastest growing group, with males increasing in number at a somewhat faster rate than females. In the 1990s, the population 45-54 will register the fastest growth.

Population Growth in the 1980s (continued)

As a result of the baby-bust years in the 1960s and early 1970s, the high-school age population--14-17 years--declined percentage-wise more than any other age group in the 1980-1989 period, dropping 16.4%, for a loss of 2.6 million. The population 18-24 years also declined, losing over 3.7 million (-14%).

The echo-baby boomlet in the late 1980s is reflected in the increase in the population under 10 years of age. In view of the rise in fertility rates and birth expectations in recent years, the gain in the number of young children may continue for a few years, and schools will again have to gear up to handle bigger classes. The college-age population, however, will not increase until the late 1990s. Other long-term affects of the baby boomers in changing the composition of population by age in the next decade have been covered in the section on projections.

Minorities and immigrants are constituting a growing share of the U.S. population, as noted in the above table. In 1990, a new immigration law was passed by Congress, which will expand legal immigration by 200,000 a year to a total of 700,000. About 500,000 will come to join relatives. Immigrants tend to be young adults. In addition, fertility rates tend to be higher among Minorities than non-Hispanic Whites, affecting the age/race structure of the population over time.

ESTIMATED U.S. RESIDENT MALE AND FEMALE POPULATION BY AGE & RACE: 1989
(Numbers in thousands. As of July 1)

	MALE				FEMALE			
	Total	White	Black	Hispanic	Total	White	Black	Hispanic
Total*	120,982	102,223	14,545	10,317	127,258	106,738	16,115	10,138
Age:								
Under 5	9,598	7,716	1,469	1,131	9,155	7,335	1,421	1,091
5 to 9	9,321	7,504	1,423	1,019	8,891	7,124	1,318	977
10 to 14	8,689	6,973	1,362	957	8,260	6,601	1,378	920
15 to 19	9,081	7,327	1,394	905	8,721	7,015	1,365	868
20 to 24	9,368	7,731	1,279	996	9,334	7,628	1,372	928
25 to 34	21,943	18,527	2,631	2,185	21,892	18,142	2,940	1,962
35 to 44	18,025	15,571	1,817	1,361	18,478	15,604	2,170	1,360
45 to 54	12,110	10,549	1,170	837	21,461	10,911	1,448	837
55 to 64	10,200	8,978	975	542	15,264	9,901	564	620
65 to 69	4,631	4,130	402	181	5,538	4,899	515	220
70 to 74	3,464	3,120	274	110	4,549	4,074	386	153
75 to 84	3,691	3,336	278	123	6,070	5,502	464	194
85 & over	850	761	72	32	2,192	2,000	165	59
Age 16 & over	91,693	78,686	10,027	7,027	99,354	84,404	11,743	7,024
18 & over	88,160	75,862	9,446	6,666	95,997	81,725	11,200	6,678
Median age-years	31.6	32.5	26.3	25.7	33.8	34.7	29.1	26.5
Mean age years	33.8	34.6	29.3	27.4	36.5	37.4	32.0	29.0

* Total includes 4,213,000 males and 4,404,000 females counted as "other races" which are not separately listed by age. Hispanics may be of any race.

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-25, No. 1057)

Population Growth in the 1980s (continued)

The male resident population in 1980 (in thousands) was 110,427; the female resident population, 116,828. Following are the changes between 1980 and 1989 in the counts by age.

ESTIMATED PERCENT CHANGE IN MALE AND FEMALE RESIDENT POPULATION BY AGE: 1989/1980

	Male	Female
Total*	9.5%	8.9%
Under 5 years	14.0	13.9
5 to 9	9.7	9.6
10 to 14	-6.7	-7.4
15 to 19	-15.2	-15.9
20 to 24	-12.4	-12.6
25 to 29	10.9	9.5
30 to 34	26.2	23.2
35 to 39	40.6	38.1
40 to 44	44.5	43.4
45 to 49	22.9	21.9
50 to 54	-1.9	-3.5
55 to 59	-6.5	-8.6
60 to 64	8.1	6.3
65 to 69	18.2	13.2
70 to 74	20.6	14.6
75 to 84	27.8	24.0
85 & over	23.5	38.6

Source: Based on U.S. Bureau of the Census, (Series P-25, No. 1057)

Population: Hispanics and Asiatics

Census Bureau projections on the population by race for 1980-2010 were summarized in the 1988 Edition of CONSUMER MARKET DEVELOPMENTS.

According to a later Census Bureau report, the Nation's Hispanic population grew by 39% since 1980 to a total of 20.1 million as of March 1989. The growth rate for Hispanics is five times that of non-Hispanics and they represented 8.3% of the 1989 population compared with 6.5% in 1989.

Two-thirds of Hispanic-Americans live in three States: California (with 34%), Texas (21%), New York (10%). Immigration accounted for about half of the overall gain between 1980 and 1989. Most of the Hispanic population in the U.S. is of Mexican origin.

Population: Hispanics and Asiatics (continued)

THE HISPANIC POPULATION BY TYPE OF ORIGIN: MARCH 1982 TO 1989
(Covers the civilian noninstitutional population of the U.S.)
(Numbers in thousands)

	1989		1982	
	Estimated Number	%	Estimated Number	%
Total Hispanic population	20,076	100.0	15,364	100.0
Mexican	12,565	62.6	9,642	62.8
Puerto Rican	2,330	11.6	2,051	13.3
Cuban	1,069	5.3	950	6.2
Central & South America	2,544	12.7	1,523	9.9
Other Hispanic	1,567	7.8	1,198	7.8

Source: U.S. Bureau of the Census:
Current Population Reports, (Series P-20, No. 444)
The Hispanic Population of the U.S.: March 1989

The median age of the Hispanic population was 25.9 years compared with the median 33.2 years for non-Hispanics; 30% of the Hispanic population was under 15 years of age compared with 21.3% of non-Hispanics in 1989.

The resident Asian/Pacific Islander population was reported at 6,881,000 in 1989, 79% above the 3,834,000 counted in 1980. This sharp increase was due to the flow of immigrants from East Asia and Southeast Asia.

Population By State

Preliminary 1990 Census of Population counts released in December 1990 placed the total U.S. population at 249.6 million, including Armed Forces, overseas Federal workers, etc. When these are eliminated from the count, the U.S. resident population totaled 248.7 million, 9.8% over the comparable 1980 total of 226.5 million.

According to initial reports, population gains in a number of states were far above the national average, as noted below. California, Texas and Florida accounted for 53% of all population growth in the 1980s compared with a 41% share in the 1970s; about 32% in the 1960s. Three states (North Dakota, Iowa, West Virginia and the District of Columbia) registered population declines compared with 1980.

POPULATION CHANGES BY STATE: 1990 COMPARED WITH 1980

	1990 Population		% Change in Population
Resident Population:	Thousands	Rank	1990/1980
U.S. Total	248,700	--	9.8%
New England			
Connecticut	3,295.7	27	6.1
Maine	1,233.2	38	9.7
Massachusetts	6,929.1	13	5.1
New Hampshire	1,113.9	41	21.0
Rhode Island	1,006.0	43	6.2
Vermont	565.0	48	10.5

(continued)

Population By State (continued)

POPULATION CHANGES BY STATE: 1990 COMPARED WITH 1980
(continued)

	1990 Population		% Change in Population
Resident Population:	Thousands	Rank	1990/1980
Middle Atlantic			
New Jersey	7,748.6	9	5.2
New York	18,044.5	2	2.8
Pennsylvania	11,924.7	5	0.5
East North Central			
Illinois	11,466.7	6	0.4
Indiana	5,564.2	14	1.3
Michigan	9,328.8	8	0.7
Ohio	10,887.3	7	0.8
Wisconsin	4,906.7	16	4.3
West North Central			
Iowa	2,787.4	30	-4.3
Kansas	2,485.6	32	5.2
Minnesota	4,387.0	20	7.6
Missouri	5,137.8	15	4.5
Nebraska	1,584.6	36	0.9
North Dakota	641.4	47	-1.7
South Dakota	700.0	45	1.3
South Atlantic			
Delaware	668.7	46	12.5
District of Columbia	609.9		-4.5
Florida	13,003.4	4	33.4
Georgia	6,508.4	11	19.1
Maryland	4,798.6	19	13.8
North Carolina	6,657.6	10	13.2
South Carolina	3,505.7	25	12.3
Virginia	6,216.6	12	16.3
West Virginia	1,801.5	34	-7.6
East South Central			
Alabama	4,062.6	22	4.3
Kentucky	3,699.0	23	1.0
Mississippi	2,576.4	31	2.6
Tennessee	4,896.6	17	6.7
West South Central			
Arkansas	2,362.2	33	3.3%
Louisiana	4,238.2	21	0.8
Oklahoma	3,157.6	28	4.4
Texas	17,059.8	3	19.9

(continued)

Population By State (continued)

POPULATION CHANGES BY STATE: 1990 COMPARED WITH 1980
(continued)

Resident Population:	1990 Population Thousands	1990 Population Rank	% Change in Population 1990/1980
Mountain			
Arizona	3,678.0	24	35.3
Colorado	3,307.9	26	14.5
Idaho	1,012.0	42	7.2
Montana	803.7	44	2.2
Nevada	1,206.1	39	50.7
New Mexico	1,521.8	37	16.8
Utah	1,727.8	35	18.3
Wyoming	456.0	50	-2.9
Pacific			
California	29,839.2	1	26.1
Oregon	2,853.7	29	8.4
Washington	4,887.9	18	18.3
Alaska	551.9	49	37.4
Hawaii	1,115.3	40	15.6

Source: U.S. Bureau of the Census: 1990 Census of Population: The New York Times, December 28, 1990.

Births

Population growth in the U.S. has averaged about 1% a year in the past decade, but for 1990 the rate is estimated at 1.1% due mainly to a rather unforeseen rise in the fertility rate. The peak number of women in normal childbearing years (15 to 44 years) are now in their 30s and early 40s. Many had postponed having a family, but are now having children. Younger women in increasing numbers have decided not to postpone childbirth. Another factor in increasing births is attributed to increase immigration of young adults of racial origins with generally higher fertility rates than the U.S. norm.

In view of the aging of the largest component of women who are currently potential mothers (under historic patterns), and the birth dearth in the 1960s and 1970s leading to fewer younger women, the increase in births appears to be an aberration in the longer downward trend.

Births in 1989, reported by the National Center for Health Statistics at 4,021,000, was the largest number since 1964 (4,027,490), and represented a 3% gain over the 1988 total of 3,913,000. Preliminary data for 1990 indicates a birth total of some 4,218,000. This would be the highest count since 1961.

Births (continued)

The birth rate in 1989 was 16.2 compared with 15.9 in 1988. In the 12 months ending August 1990, the rate was 16.5. The fertility rate in 1989, 68.8, was 2% higher than in 1988, and was the highest since 1973 (also 68.8). However, in the 12 months ending August 1990, the rate climbed to 70.4.

Following are figures on births by race in the U.S. through 1988 (not yet available for 1989, 1990).

LIVE BIRTHS, BIRTH RATES AND FERTILITY RATES BY RACE OF CHILD:
1980, 1985-1988

	Number (thousands)				Birth Rate*			
Year	All Races	White	Other	Black#	Total	White	Other	Black#
1988	3,913	3,046	863	672	15.9	14.7	22.5	22.2
1987	3,809	2,992	817	642	15.7	14.5	21.7	21.6
1986	3,757	2,970	786	621	15.6	14.5	21.4	21.2
1985	3,761	2,991	769	608	15.8	14.8	21.4	21.1
1980	3,612	2,899	714	590	15.9	14.9	22.5	22.1

	Fertility Rate**			
Year	Total	White	Other	Black#
1988	67.2	63.0	87.5	86.6
1987	65.7	62.0	84.4	83.8
1986	65.4	61.9	83.0	82.4
1985	66.2	63.0	83.2	82.2
1980	68.4	64.7	88.6	88.1

* Live births per 1,000 population
** Live births per 1,000 women aged 15-44 years
# Blacks are also included in the "Other" race column.

Source: National Center for Health Statistics

There is a wide range in birth rates and fertility rates based on race. In 1988, the latest year for which details are available, birth rates for Whites averaged 14.7, for all other races including Black, 22.5; for Blacks, 22.2. Comparable figures on fertility rates in 1988 were 63.0, 87.5, 86.6, respectively. Government estimates on 1989 births indicate the total surpassed the population replacement rate of 2.1 children per woman of childbearing age for the first time since 1971.

Births (continued)

One third of children born in 1988 had mothers in their thirties, up from 19% twelve years earlier. The 1988 fertility rate for women 30 to 34 years old was 81.6 births per 1,000 women, compared with the 1980 rate of 60.0. For women age 35 to 39, the rate in 1988 was 34 per 1,000 compared with 23 in 1976. As noted, the rise in fertility rates among older women of childbearing age is occurring at the same time that their proportion of the childbearing age population is rising (as the Boomers age). In 1988, some 54% of childless wives in their early thirties were planning to have a child--up from 34% in 1975.

The rise in unwed teenage motherhood, which is reversing an 18-year decline that reached bottom in 1986, is of growing concern because of the many problems entailed, particularly in the increasing number of children living below the poverty line. In 1988, babies born to mothers age 15 to 17 exceeded 168,000--the highest number in a decade though well below the 1972 peak of 230,000, the year before the Supreme Court overturned state laws against abortion. Two out of five impoverished Americans are children.

Marriages and Marital Status

Significant developments for marketers in recent years--and likely to continue based on changing lifestyles--have been the downturn in the number of marriages, the postponement of marriage by young adults, as well as the indications that a high percentage of the currently marriageable population estimated as high as 80% will never marry.

These developments have led to a sharp increase in young adults--particularly men--remaining at home with parents rather than establishing their own households, or living with someone else who is the household head. In 1989, according to the Census Bureau, almost 4.3 million men age 25 years and older were living with their parents as children. Overall, 9.8 million men (13.4% of the male population age 25 and over) were living in a dependent relationship with someone else. This is up from 9.3% in 1968. Among women age 25 and older, 9.3% were dependents in 1989 vs. 9.4% in 1968.

After a downturn in 1988, the number of marriages in the U.S. increased somewhat (0.6%) in 1989, although the rate per 1,000 population was 9.7 in both years, below the rates reported for the previous three years. In the first 11 months of 1990, the number of marriages was up 2.0% over the total in the same period of 1989; rates in the two periods were 9.8 vs. 9.7.

The number of divorces has fluctuated in recent years, although the divorce rate per 1,000 population has held below the 5.0 reported for 1985. In the first 11 months of 1990, the number of divorces rose 2.0% over the same 1989 period, but the rate held at 4.7%.

Marriages and Marital Status (continued)

MARRIAGES AND DIVORCES IN THE U.S.: 1985-1989
(Number in thousands)

	1989	1988	1987	1986	1985
Marriages	2,404	2,389	2,421	2,400	2,425
Rate per 1,000 pop.	9.7	9.7	9.9	10.0	10.2
Divorces	1,163	1,183	1,157	1,159	1,187
Rate per 1,000 pop.	4.7	4.8	4.8	4.8	5.0

Source: The National Center for Health Statistics

A longterm trend has been the tendency of youths to delay marriage. In 1989 the median age for men at first marriage was 26.2 years--the highest figure since 1890; the median age for women, 23.8 in 1989, was the highest ever recorded. The median ages have been rising since the mid-1950s, when they were estimated at 22.6 years for men, 20.2 for women.

Delays in marriage are also reflected by increases in the proportion of men and women who have not yet married for the first time. This has grown substantially among young adults in their twenties and early thirties in the past two decades. Many demographers believe that a high percentage will never marry, a sharp break with the past that will affect consumer market patterns.

PERCENT OF POPULATION AGE 20-34 YEARS NEVER MARRIED: 1960, 1970, 1980 1989

	Women				Men			
Age Groups	1989	1980	1970	1960	1989	1980	1970	1960
20 to 24 years	62.5	50.2	35.8	28.4	77.4	68.8	54.7	53.1
25 to 29 years	29.4	20.9	10.5	10.5	45.9	33.1	19.1	20.8
30 to 34 years	16.9	9.5	6.2	6.9	25.8	15.9	9.4	11.9

Source: The National Center for Health Statistics

The problems, particularly for women, of juggling work and family are factors in delayed marriage, as well as downturns in the economy and in real income, the high cost of housing, and greater interest in careers than marriage on the part of women. Current research among young people published by TIME Magazine (Fall 1990) indicates a determination to set a new pattern, with more interest in marriage and raising children, while still pursuing careers. While the marriage rate may turn up if this resolve materializes, the number of people age 20 to 34 in the population is in a decline, dropping to an estimated 54.7 million by year 2000 from 62 million in 1990, so marketers focusing on the bridal market will find a smaller target no matter what develops.

Households/Families

One of the more worrisome demographic counts for consumer goods marketers, as well as real estate marketers, is the continuing decline in new household formations. This is the result of the decline underway in the number of young adults. Typically the mid-twenties is the age at which people set up their own households. However, this decline is also a reflection of entrenched new life styles (as noted in the previous section on MARRIAGES), economic trends, the high cost of housing, and the tightness of credit. While household formations normally decline in a recession, a falloff has predated the current recession.

In the period from March 1989 to March 1990, new households were growing at an annual rate of only 0.56%--down from an annual growth rate of 2.2% in the 1970s and 1.5% in the 1980s.

There were 93.3 million households (occupied housing units) in 1990, compared with 80.8 million in 1980 and 63.4 million in 1970. The number of households increased by 27% in the 1970s and by only 16% in the 1980s. Average annual increases were 1.3 million in the 1980s vs. 1.7 million in the 1970s.

The changing composition of households is also significant. The bigger spenders are the family households, i.e. having at least two members, including at least one relative of the householder (the person who pays the rent or whose name first appears on the mortgage or lease), rather than non-family households. But family households are accounting for a decreasing percentage--representing 71% of all households in 1990 compared with 74% in 1980 and 81% in 1970.

HOUSEHOLD COMPOSITION: 1970, 1980, 1990

				Av. Annual % Change	
	1990	1980	1970	1980/90	1970/80
All households (number in thousands)	93,347	80,776	63,401	1.4%	2.4%
Percent	100.0	100.0	100.0		
Family households	70.8	73.7	81.2	1.0	1.5
No own children under 18	36.2	35.3	35.8	1.7	2.3
With own children under 18	34.6	38.4	45.3	0.4	0.8
Married couple family	56.0	60.8	70.5	0.6	0.9
Other family:					
Male householder	3.1	2.1	1.9	5.7	3.4
Female householder	11.7	10.8	8.7	2.2	4.6
Nonfamily householder	29.2	26.3	18.8	2.5	5.7
Male householder	12.4	10.9	6.4	2.8	7.7
Living alone	9.7	8.6	5.6	2.6	6.8
Female householder	16.8	15.4	12.4	2.3	4.5
Living alone	14.9	14.0	11.5	2.1	4.4

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-20, No. 447)

Households/Families (continued)

Not only has the growth rate in household formations slowed, but the composition in the terms of average number of persons per household shows a decline due to fewer children per family, more single-parent families, and larger numbers of people living alone. Divorces are also a factor, resulting in less than 2 new households as one partner returns to parents or joins an existing household, which leads to households that are smaller and less affluent. In March 1990, the average number of persons per household was 2.63, compared with 2.76 in 1980 and 3.14 in 1970.

From 1970 to 1990, one-person households' share of the total increased from 17% to 25%; households with 5 or more persons dropped from a 21% share to less than 10%.

DISTRIBUTION OF HOUSEHOLDS BY SIZE: 1970, 1990
(Number in millions)

	1990		1970	
	Number	%	Number	%
Total	93.3	100%	63.4	100%
Size of household:				
One person	23.0	25	10.9	17
Two persons	30.1	32	18.3	29
Three persons	16.1	17	10.9	17
Four persons	14.5	16	10.0	16
Five or more persons	9.6	10	13.3	21
Av. population per household	2.63	--	3.14	--
Under age 18	0.69	--	1.09	--

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-23, No. 170)

Homeownership

In December 1990, the U.S. homeownership rate declined from 65.6% of all households in 1980 to 63.9% in 1989, meaning the percentage of householders who were renters increased during this time. The trend varies by region, as well as by age of householder. In 1989 homeownership in the Northeast was at a higher rate than in 1980, while rates in the Midwest, South and West were lower than in 1980.

HOMEOWNERSHIP RATES FOR THE U.S. AND REGIONS: 1980, 1985, 1989

Year	U.S.	Northeast	Midwest	South	West
1989	63.9%	62.0%	67.7%	65.9%	57.8%
1985	63.9	60.8	66.9	66.4	59.0
1980	65.6	60.8	69.8	68.7	60.0

Homeownership (continued)

HOMEOWNERSHIP RATES FOR THE U.S. BY AGE OF HOUSEHOLDER, BY FAMILY STATUS
(Selected data)

Age of Householder:	1989	1985	1982
One person households	48.2	45.8	45.6
Male householder	41.8	38.8	38.0
Less than 50	33.2	29.6	28.5
50 and over	55.9	53.9	52.9
Female householder	52.6	51.3	51.2
Less than 50	29.1	25.8	23.3
50 and over	62.4	61.2	61.6
Married couple families	78.3	78.2	78.5
Less than 50	71.0	70.9	71.3
50 and over	89.1	88.3	88.1
Other families	46.5	48.4	49.6
Male householder	55.7	57.8	59.3
Female householder	44.1	45.8	47.1
Two or more person households	31.2	31.1	30.1

Source: U.S. Bureau of the Census: Home Ownership Trends in the 1980s
(Series H-121, No. 2)

THE LABOR FORCE/EMPLOYMENT/UNEMPLOYMENT

The employment picture in 1990 was not encouraging, particularly after midyear. In December the civilian unemployment rate (seasonally adjusted) reached 6.1% compared with 5.9% in November, 5.3% in June, and 5.3% in December 1989. Virtually every major demographic group has undergone a rise in joblessness, but the December 1990 rates were highest among teenagers 16 to 19 years: for Blacks, 36%; Whites, 14%, even though many have dropped out of the labor force in discouragement, returning to school or entering military service.

Among males age 20 and over, the December 1990 unemployment rate for Whites was 5.0% (up from 4.0% in January); for Blacks 10.9% (down from 11.0%). The rate for white women in December was 4.4%, up from January's 4.0% rate; for black women, it was 10.6%, up from 9%. These are seasonally adjusted rates which eliminate influences such as holiday employment, etc.

State jobless rates were highest in Michigan and Massachusetts (each at 7.3% in December), Texas (7.0%), California (6.8%), and Illinois (6.0%).

Labor force participation of women age 16 and over as of December 1990, including civilian and Armed Forces population in the U.S., was reported at 57.3%, down from 57.6% in January. The civilian labor force participation rate for women averaged 57.5% in 1990, 57.4% in 1989, 51.5% in 1980.

CURRENT MARKET STATISTICS

THE LABOR FORCE/EMPLOYMENT/UNEMPLOYMENT

Basic structural changes have occurred affecting the employment situation even before the recession got underway in mid-1990, and the Persian Gulf crisis developed. Manufacturing employment has decreased by more than 900,000 jobs in the past two years. The stock market crash in October 1987 and the problems in the financial community have had long-term effects on employment statistics. Layoffs and business closings have continued. An estimated 40,000 Wall Streeters were out of jobs at the end of the year, and the impact on the Northeast has been severe. Slackening of consumer spending is idling production workers and retailers; a decline in construction of new homes has hit the construction industry. Some economists expect unemployment rates to continue to decline through 1991.

While some areas of employment are growing, particularly service industries (though at a lower rate) and there are more jobs for teachers, (except in cities with sharply reduced budgets) and for health care workers, the massive cuts in higher paying jobs appear to be long-term. Many laid-off white collar workers are having difficulty finding jobs at their salary level and downward mobility appears likely for many.

According to Business Week, during the 1980s, as companies downsized to stay competitive, an estimated 4 million jobs in Fortune 500 companies were wiped out. More than 150 large corporations have announced plans to eliminate about 300,000 jobs in 1991. Manufacturing workers and mid-level managers are targeted.

The securities industry, and other financial institutions, will continue to consolidate operations. Some analysts predict that as many as 60,000 additional people in the securities industry will be laid off in the next two years including headquarters and branch office employees.

The immediate outlook for pickup in manufacturing employment is dim, except for employers who can benefit from export markets, from a possible turn-around in defense spending by the U.S., or from overseas business developments.

In general, marketers are faced with growing unemployment in 1991 among managerial and professional people, white collar as well as blue collar workers. Along with this, there is the slow growth in earnings and declines in real purchasing power, as noted among production and non-supervisory employees.

The following tables summarize the general employment picture at the end of 1990.

EMPLOYMENT BY OCCUPATION--January and December 1990
(Seasonally adjusted numbers, in thousands)

				Unemployment Rate	
	December	January	Gain (Loss)	Dec.	Jan.
Managerial, professional specialty	30,777	30,794	(17)	2.2	1.9
Technical, sales, admin., support	36,242	36,849	(607)	4.8	4.0
Service occupations	15,904	15,443	461	nr	nr
Precision, production, craft, repair	13,524	13,785	(261)	7.0	5.2
Operators, fabricators, laborers	17,695	17,658	(37)	9.6	8.7
Farming, forestry, fishing	3,436	3,390	83	6.9	5.8

nr not reported

Source: U.S. Bureau of Labor Statistics: The Employment Situation

THE LABOR FORCE/EMPLOYMENT/UNEMPLOYMENT

EMPLOYMENT STATUS OF THE CIVILIAN POPULATION AGE 16 & OVER BY SEX, AGE
January and December 1990
(Numbers in thousands. Seasonally adjusted except for population)

	Men*		Women*		Both Sexes Age 16-19	
	Dec.	Jan.	Dec.	Jan.	Dec.	Jan.
WHITE						
Civilian labor force	56,307	55,793	44,995	44,522	6,215	6,637
Participation rate**	78.3	78.5	57.6	57.4	57.0	58.7
Employed	53,497	53,562	43,001	42,762	5,345	5,788
Employment-population ratio#	74.4	75.3	55.0	55.2	49.0	51.2
Unemployed	2,810	2,231	1,994	1,760	870	849
Unemployment rate	5.0	4.0	4.4	4.0	14.0	12.8
BLACK						
Civilian labor force	6,359	6,195	6,339	6,397	788	925
Participation rate**	74.1	73.5	59.0	60.5	36.9	42.6
Employed	5,664	5,511	5,668	5,798	504	671
Employment-population ratio#	66.0	65.4	52.8	54.9	23.6	30.9
Unemployed	695	684	671	599	284	254
Unemployment rate	10.9	11.0	10.6	9.4	36.0	29.1

* Age 20 years and over.
**Civilian labor force as a percent of total civilian noninstitutional population in each age/sex/race group.
#Civilian employment as a percent of population.

Source: U.S. Bureau of Labor Statistics: The Employment Situation

UNEMPLOYMENT BY SEX AND AGE: January and December 1990
(Numbers in thousands. Seasonally adjusted)

	No. of Persons Unemployed		Unemployment Rates*	
	Dec. 1990	Jan. 1990	Dec. 1990	Jan. 1990
MEN				
Age 16 years & over	4,277	3,595	6.2	5.3
16 to 19 years	662	623	17.4	15.4
20 to 24 years	701	652	9.6	8.9
25 & over	2,937	2,344	5.1	4.2
25 to 54 years	2,625	2,038	5.4	4.3
55 & over	316	306	3.6	3.5
WOMEN				
Age 16 years & over	3,323	2,949	5.9	5.2
16 to 19 years	530	511	15.6	13.8
20 to 24 years	570	530	8.7	8.1
25 & over	2,223	1,909	4.8	4.1
25 to 54 years	2,039	1,708	5.1	4.3
55 & over	185	202	2.8	3.1

* Unemployment as a percent of the civilian labor force.

Source: U.S. Bureau of Labor Statistics: The Employment Situation

CURRENT MARKET STATISTICS

THE LABOR FORCE/EMPLOYMENT/UNEMPLOYMENT

Regional markets are affected to varying degrees by the recession and by unemployment. As noted, the Northeast has been affected badly by the decline in employment in the financial community, as well as employment in New England's high-tech industries. Laid-off auto workers, primarily in the Midwest, are faring better by their union benefits (United Auto Workers), which gives more than 100,000 a high percentage of their regular take-home pay. This accounts for the fact that the industrial Midwest has thus far weathered the recession better than the Northeast or the West Coast.

According to the Brookings Institution, barely one-third of the 7.6 million unemployed currently get compensation, and many in the hardest hit communities may exhaust their benefits before supplemental federal jobless aid is made available. Many states have made the rules on unemployment compensation much more stringent than they were, cutting the term of payments and tightening eligibility rules, or cutting the amounts paid. The state runs the unemployment insurance programs, but the Federal Government pays the costs of running unemployment offices. Cutbacks on these payments have put the states behind in handling applications from unemployed workers, and are delaying payouts.

Earnings

The nation's production or nonsupervisory workers have seen their earnings erode in recent years. In current dollars, the 1988 average weekly earnings were $322.36, which was 37% above the 1980 average of $235.10. When measured in constant (1977) dollars, however, the 1988 level was actually down 2.85%, declining $4.93 in real purchasing power. With the exception of services, all major industry components in the earnings data compiled by the Bureau of Labor Statistics have suffered an erosion in real earnings.

AVERAGE WEEKLY EARNINGS OF PRODUCTION OR NONSUPERVISORY WORKERS IN PRIVATE INDUSTRY: 1980, 1986-1988

(In current and constant (1977) dollars)

Industry	1988		1987		1986		1980	
	Current	Constant	Current	Const.	Current	Const.	Current	Const.
Total	$322.36	$167.81	$312.50	$169.28	$304.85	$171.07	$235.10	$172.74
Mining	539.33	280.75	531.70	288.03	525.81	295.07	397.06	291.04
Construction	493.08	256.68	480.44	260.26	466.75	261.92	367.78	270.23
Manufacturing	418.40	217.80	406.31	220.10	396.01	222.23	288.62	212.06
Transportation, public util.	484.18	252.05	471.58	255.46	458.84	257.37	288.62	212.06
Wholesale trade	378.71	197.14	365.76	198.14	358.11	200.96	267.96	196.88
Retail trade	183.62	95.59	178.70	96.80	176.08	98.81	147.38	108.29
Finance, insurance, real estate	326.33	169.88	316.90	171.67	394.39	170.76	209.60	154.00
Services	290.47	151.21	275.93	149.47	265.85	149.19	190.71	140.12

Source: U.S. Bureau of Labor Statistics: Handbook of Labor Statistics

CURRENT MARKET STATISTICS

PERSONAL AND FAMILY/HOUSEHOLD INCOME AND OUTLAYS

Total personal income for the year 1990 rose 6% compared with 1989--reflecting the fact that workers put in longer hours at overtime pay levels which help counteract rising unemployment. Adjusted for inflation at 6.1%, personal income actually fell slightly below the 1988 total. Income in 1989 rose 7.7%.

As noted below, wages and salaries accounted for a smaller share of total income in 1990 compared with 1989. Personal interest rates took a bigger share in the face of high rates prevailing early in the year, rising to 14.7% compared with 13.5% in 1989.

With cuts in interest rates, this share will fall in 1991, and it will adversely affect segments of the population, particularly the elderly. It is estimated that interest income represents about 25% of true income of the population age 65 and older.

PERSONAL INCOME BY SOURCE AND ITS DISPOSITION: 1988, 1989, 1990
(Billions of current dollars)

				Percent	
	1990(a)	1989	1988	1990	1988
Total personal income by source	$4,645.6	$4,384.3	$4,070.8	100.0%	100.0%
Wage and salary disbursements	2,705.3	2,573.2	2,431.1	58.2	59.7
Commodity producing industries, total	729.2	720.6	696.4	15.7	17.1
Manufacturing	546.7	541.8	524.0	11.8	12.9
Distributive industries	737.1	604.7	572.0	15.9	14.0
Service industries	831.0	771.4	716.2	17.9	17.6
Govt. and govt. enterprises	508.0	476.6	446.6	10.9	11.0
Other labor income	258.1	241.9	225.5	5.6	5.5
Proprietors' income	402.4	379.3	354.2	8.7	8.8
Farm	49.9	48.6	43.7	1.1	1.1
Nonfarm	352.5	339.7	310.5	7.6	7.6
Rental income with capital consumption adjustment	6.7	8.2	16.3	0.1	0.4
Dividends	123.8	114.4	102.2	2.7	2.5
Personal interest income	680.9	643.2	547.9	14.7	13.5
Transfer payments*	694.6	636.9	587.7	14.9	14.4
Less: personal contributions for social insurance	226.2	212.8	194.1	4.9	4.8
Disposition of Personal Income					
Total personal income	4,645.6	4,384.3	4,070.8	100.0	100.0
Less: personal tax & nontax payments**	699.8	658.8	591.6	15.1	14.5
Equals: disposable personal income	3,945.8	3,725.5	3,479.2	100.0	100.0
Less: personal outlays	3,766.8	3,553.7	3,333.6	95.5	95.8
Personal consumption expends.	3,658.1	3,450.1	3,238.2	92.7	93.1
Durable goods	481.6	474.6	457.5	12.2	13.1
Nondurable goods	1,194.2	1,130.0	1,060.0	30.3	30.5
Services	1,982.3	1,845.5	1,720.7	50.2	49.5
Interest paid by consumers	107.8	102.2	93.6	2.7	2.7
Personal transfer payments to foreigners (net)	0.9	1.4	1.9	***	***
Equals: personal savings	179.1	171.8	145.6	4.5	4.2
% of disposable income	4.5	4.6	4.2	--	--

(continued)

PERSONAL INCOME BY SOURCE AND ITS DISPOSITION: 1988, 1989, 1990
(Billions of dollars)
(continued)

	1990(a)	1989	1988	Percent 1990	Percent 1988
Disposable personal income in constant (1982) dollars	$2,893.3	$2,869.0	$2,800.5	100.0%	100.0%
Personal consumption expenditures in constant (1982) dollars	2,682.2	2,656.8	2,606.5	92.7	93.1
Durable goods	428.4	428.0	418.2	14.8	14.9
Nondurable goods	911.5	919.9	909.4	31.5	32.5
Services	1,342.2	1,309.0	1,278.9	46.4	45.7
Implicit price deflator for personal consumption expenditures, Index 1982=100	136.4	129.9	124.2	--	--

(a) advance report. Figures are subject to a series of revisions.
* Old age, survivor, health, etc., insurance benefits; unemployment, veterans benefits, etc.
** Includes tuition and educational expenses, hospital and health charges, fines, etc.
***Less than 0.1%.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

Personal Consumption Expenditures

The total value of goods and services reaching the consumer through any channel is measured by the BEA in the National Income and Product Account. This value accounts for two thirds of gross national product. In 1990, expenditures measured in current dollars gained 6% over the 1989 total; but when adjusted for price increase, the gain shrank to only 1% in constant dollars. Current vs. constant dollar percent change year-to-year in 1989/1988 were 6.5% and 1.9%; in 1988/1987, 7.6% and 3.6%.

The slowdown in auto sales was reflected in the 1990 decline in automotive expenditures, while rising gasoline and oil prices made this classification the leader in current dollar gain (11.8% over 1989). Medical care expenditures were up 11.3% in current dollars; 5.4% in constant dollars. Clothing and footwear expendiures were flat when compared with 1989 in constant dollars, though up 4.2% on a current dollar basis.

PERSONAL AND FAMILY/HOUSEHOLD INCOME AND OUTLAYS

Personal Consumption Expenditures (continued)

PERSONAL CONSUMPTION EXPENDITURES BY MAJOR TYPES OF PRODUCT
(Billions of dollars)

	Current Dollars			Constant (1982) Dollars		
	1990(p)	1989	% Change 1990/89	1990(p)	1989	% Change 1990/89
Personal consumption expenditures, total	3,658.1	3,450.1	6.0	2,682.2	2,656.8	1.0
Durable goods	481.6	474.6	1.5	428.4	428.0	0.1
Motor vehicles, parts	213.2	215.5	-1.1	177.8	181.4	-2.0
Furniture, household equip.	176.8	171.4	3.1	179.8	175.0	2.7
Other	91.5	87.8	4.2	70.8	71.6	-1.1
Nondurable goods	1,194.2	1,130.0	5.7	911.5	919.9	-0.9
Food	624.9	595.3	5.0	457.5	462.9	-1.1
Clothing and footwear	213.3	204.6	4.2	172.7	172.7	-0-
Gasoline and oil	93.7	83.8	11.8	94.8	96.7	-2.1
Other nondurable goods	262.4	246.3	6.5	186.6	187.7	-0.6
Fuel oil, coal	18.6	17.7	5.1	19.2	21.9	-12.3
Other	243.8	228.7	6.6	167.4	165.7	1.0
Services	1,982.3	1,845.5	7.4	1,342.2	1,309.0	2.5
Housing	569.5	533.9	6.7	377.1	372.1	1.3
Household operation	210.6	206.3	2.1	167.1	167.6	-0.3
Transportation	136.7	126.4	8.1	100.3	96.9	3.5
Medical care	483.4	434.3	11.3	301.7	286.1	5.4
Other	582.1	544.5	6.9	396.0	386.4	2.5

(p) preliminary

Source: U.S. Department of Commerce,
Bureau of Economic Analysis

Savings

Personal savings averaged 8% of disposable personal income in the 1970s, but fell precipitously in the 1980s, hitting a postwar low of 2.9% in 1987 as people took on a record amount of debt to improve or maintain their living standards. The rate had been picking up, reaching 4.2% in 1988, 4.6% in 1989, but fell back to 4.5% in 1990 as consumers continued to spend, and to go deeper into debt as income growth slowed.

Per Capita Disposable Income

Preliminary figures for the year 1990 indicate an increase of 4.8% in disposable per capita income compared with 1989. But on a constant dollar basis, adjusting for inflation, the gain turned into a loss of 0.22%.

In 1989 compared with 1988, current-dollar per capita disposable income gained 6.0%; the constant-dollar gain was 1.4%. Comparable figures for 1988 over 1987 were gains of 7.8% and 3.8% respectively.

PERSONAL AND FAMILY/HOUSEHOLD INCOME AND OUTLAYS

Per Capita Disposable Income (continued)

PER CAPITA DISPOSABLE INCOME: 1980, 1985-1990
(In Current and Constant (1982) Dollars)

Year	Population (thousands)	Per Capita Disposable Income Current $	 1982 $
1980	227,754	$ 8,421	$ 9,722
1985	239,322	11,861	10,625
1986	241,660	12,469	10,905
1987	243,982	13,094	10,946
1988	246,358	14,123	11,368
1989	248,810	14,973	11,531
1990	251,400	15,695	11,508

Source: U.S. Bureau of Economic Analysis: Economic Indicators

Income of Persons by Sex and Race

The median income of persons in the U.S. was reported at $19,893 (current dollars) for males in 1989 compared with $18,908 in 1988, $17,786 in 1987. The highest median was for males age 45-54--the age bracket about to have its fastest growth as the baby boom generation--born in 1945 to 1965 enters this bracket.

For women, the median income was $9,624 in 1989, up 8.3% over the 1988 median of $8,884 and 16% over the 1987 in current dollars.

MEDIAN INCOME OF PERSONS BY SEX, RACE, AGE, OTHER CHARACTERISTICS: 1987-1989
(Number with income in thousands)

	1989		1988		1987	
	Number	Median Income	Number	Median Income	Number	Median Income
MALES (age 15 & over)						
Total with income	87,454	$19,893	86,584	$18,908	85,713	$17,789
Region:						
Northeast	18,287	22,173	17,915	21,544	17,888	19,915
Midwest	21,328	19,964	21,344	19,156	21,087	17,915
South	29,360	17,852	29,397	16,773	28,835	16,344
West	18,478	20,442	17,928	19,431	17,903	18,453
Race & Hispanic Origin						
White	75,858	20,863	75,247	19,959	74,647	18,905
Black	8,806	12,609	8,610	12,044	8,488	11,215
Hispanic origin*	6,592	13,400	6,342	13,030	6,102	12,230
Relationship to family householder**						
In families	71,458	20,352	70,814	19,453	70,601	18,350
Householder**	50,974	25,447	51,254	24,435	51,025	23,066
Spouse of hshldr.	3,777	22,333	3,240	22,186	3,057	21,014
In unrelated subfamilies	133	10,000	82	13,549	83	11,153
Unrelated individuals	15,863	17,860	15,688	16,976	15,029	16,082

(continued)

PERSONAL AND FAMILY/HOUSEHOLD INCOME AND OUTLAYS

Income of Persons by Sex and Race (continued)

MEDIAN INCOME OF PERSONS BY SEX, RACE, AGE, OTHER CHARACTERISTICS: 1987-1989
(Number with income in thousands)
(continued)

	1989		1988		1987	
	Number	Median Income	Number	Median Income	Number	Median Income
Age:						
Under 65 years	75,194	$21,275	74,564	$20,537	73,983	$19,480
15 to 24	14,217	6,313	14,595	5,843	14,976	5,457
25 to 34	20,998	21,367	20,912	20,782	20,783	19,927
35 to 44	18,073	29,437	17,400	28,545	16,803	27,042
45 to 54	12,088	30,862	11,702	29,578	11,398	28,487
55 to 64	9,819	24,427	9,955	22,647	10,023	21,883
65 & over	12,260	13,107	12,019	12,471	11,730	11,927
65 to 74	7,966	14,465	7,837	13,941	7,690	13,412
75 years & over	4,294	10,847	4,182	10,288	4,040	9,698
FEMALES (age 15 & over)						
Total with income	91,399	9,624	90,593	8,884	85,713	8,295
Region:						
Northeast	19,355	10,543	19,718	9,611	17,888	8,743
Midwest	22,590	9,143	22,551	8,299	21,087	7,826
South	31,109	9,049	30,552	8,424	28,835	7,983
West	18,345	10,307	17,771	9,699	17,903	9,940
Race & Hispanic Origin						
White	77,933	9,812	77,493	9,103	74,647	8,507
Black	10,577	7,875	10,380	7,349	8,488	6,949
Hispanic origin*	5,677	7,647	5,532	6,990	6,102	6,630
Relationship to family householder**						
In families	72,361	8,751	72,214	7,990	70,601	7,502
Householder**	14,199	11,850	13,712	10,839	51,025	10,292
Spouse of hshldr.	44,557	9,405	44,724	8,824	3,057	8,158
Other rel. of hshldr.	13,605	4,909	13,778	4,535	14,172	4,515
In unrelated subfamilies	443	7,676	392	7,126	83	6,840
Unrelated individuals	18,595	12,231	17,987	11,881	15,029	11,029
Age:						
Under 65 years	74,338	10,470	73,865	9,704	73,195	8,965
15 to 24	14,115	4,739	14,510	4,485	14,859	4,408
25 to 34	20,209	12,231	20,228	11,565	20,188	10,979
35 to 44	17,692	13,805	17,044	12,546	16,465	11,995
45 to 54	12,007	13,143	11,687	12,020	11,180	11,263
55 to 64	10,315	9,163	10,397	8,377	10,502	7,541
65 & over	17,060	7,655	16,728	7,103	16,466	6,896
65 to 74	9,850	7,948	9,744	7,256	9,629	6,989
75 years & over	7,211	7,377	6,983	6,944	6,837	6,798

*Persons of Hispanic origin may be of any race.

**The householder is the reference person--the person in whose name the home is rented or owned. The term has replaced "household head".

Source: U.S. Bureau of the Census: Current Population Reports
CONSUMER INCOME (Series P-60, No. 168)

PERSONAL AND FAMILY/HOUSEHOLD INCOME & OUTLAYS

Household/Family Income

Median household income in 1989 was $28,906. Adjusted for inflation, this was 1.3% above the 1988 median; in current dollar terms, the gain was 6.2%. The real gain in 1989 followed two consecutive years in which real household income was unchanged, according to the Census Bureau.

The Bureau's report on Money Income and Poverty Status in the U.S. in 1989 contains details by type of household, by race, number of earners, etc. The following table is an overall summary from the complete report.

MEDIAN INCOME OF HOUSEHOLDS BY TYPE: 1987-1989
(Numbers in thousands. Income is in current $)

	1989		1988		1987	
	Number	Median Income	Number	Median Income	Number	Median Income
All households	93,347	$28,906	92,830	$27,225	91,124	$26,061
Household type:						
Family households	66,090	34,633	65,837	32,491	65,204	31,247
Married couple families	52,317	38,664	52,100	36,436	51,675	34,953
Male householder, no wife present	2,884	30,336	2,847	28,642	2,834	26,705
Female householder, no husband present	10,890	17,383	10,890	16,051	10,696	15,480
Nonfamily households	27,257	17,115	26,994	16,148	25,919	14,849
Male householder	11,606	22,423	11,874	20,999	11,282	19,924
Living alone	9,049	19,617	9,193	18,284	8,803	16,994
Female householder	15,651	13,755	15,120	12,877	14,637	11,774
Living alone	13,950	12,190	13,515	11,622	13,130	10,718

Source: U.S. Bureau of the Census: Current Population Reports
CONSUMER INCOME (Series P-60-No. 168) (September 1990)

As noted above, family income is higher than the median for all households because close to half of all family households are married couples with two earners, while most non-family households consist of people living alone with one income. However, family income is growing more slowly than household income because married couples are declining as a share of all families; singles and other types of households are increasing.

The Tax Foundation, Washington, estimates that inflation and higher federal income and payroll taxes in 1990 lowered the real after-tax income of the typical family--a household with two full-time earners and two dependent children--by 1.5% below the 1989 level. These figures do not include state and local taxes or indirect federal levies such as excise taxes, all of which have been increasing sharply in recent years, and are due to rise even faster in 1991.

PERSONAL AND FAMILY/HOUSEHOLD INCOME & OUTLAYS

Household/Family Income (continued)

An analysis by retail consultants, Management Horizons, points to the growing gap between rich and poor households, emphasizing factors such as the decline in manufacturing with well paid union workers; educational requirements needed for better paying jobs; divorces which break up families into smaller, less affluent households. This source predicts these barriers to upward mobility will bring the number of households with annual incomes of $15,000 or less (in 1984 dollars) to about 36% of the total households vs. 31.2% in 1970. More marketers will be turning attention to growing downscale consumer markets, though the concentration of wealth among the top 20% of households will continue to increase, offering target markets for upscale retailers.

DISTRIBUTION OF HOUSEHOLDS BY TOTAL MONEY INCOME BY RACE
1980, 1985, 1989
(In constant 1989 dollars)

ALL RACES	Number (thous.)	Total	Income Under $15,000	$15,000-24,999	$25,000-34,999	$35,000-49,999	$50,000-74,999	$75,000-99,999	$100,000 & Over
1989	93,347	100%	25.3	17.9	15.9	17.3	14.5	5.1	3.9
1985	88,458	100	27.4	19.0	16.3	17.2	13.3	4.1	2.7
1980	82,368	100	27.5	19.8	17.0	18.2	12.2	3.5	1.9
WHITE									
1989	80,163	100	23.0	17.8	16.2	18.1	15.2	5.4	4.2
1985	76,576	100	25.1	18.9	16.6	18.0	14.1	4.3	3.0
1980	71,872	100	25.1	19.7	17.4	19.1	12.9	3.7	2.1
BLACK									
1989	10,486	100	43.2	19.6	13.8	12.0	8.5	2.2	0.8
1985	9,797	100	45.9	20.3	13.6	11.1	7.1	1.3	0.6
1980	8,847	100	47.1	20.8	13.9	11.1	5.8	1.0	0.3
HISPANIC ORIGIN									
1989	5,933	100	33.8	21.9	15.8	14.7	9.6	2.6	1.6
1985	5,213	100	38.9	21.0	16.3	13.0	8.2	1.7	0.8
1980	3,906	100	36.0	23.8	16.3	14.7	6.9	1.5	0.8

Source: U.S. Bureau of the Census: Current Population Reports, CONSUMER INCOME (Series P-60, No. 168, September 1990)

POVERTY STATUS

In 1989, 31.5 million persons (12.8% of the population) were below the official poverty levels. These poverty levels consist of a set of money income thresholds that vary by family size and composition and are updated every year to reflect changes in the Consumer Price Index. For example, the average poverty threshold for a family of four was $12,675 in 1989; $12,091 in 1988; $11,611 in 1987; $11,203 in 1986.

POVERTY STATUS

The 1989 threshold ranged from $6,311 for a person living alone to $25,480 for a family with nine or more members. The money income data is money received before taxes and excludes capital gains and noncash benefits (food stamps, etc.)

In 1989, 39.9% of the Nation's poor were children under 18 years; and the poverty rate for children was 19.6% (23.5% for children under age 3). The elderly (age 65 and older) accounted for 10.7% of persons below the poverty threshold in 1989; and the poverty rate for the elderly represented 11.4% of the elderly population.

INCOME DISTRIBUTION IN THE POPULATION

Data on earnings and income distribution and net worth confirm perceptions that the rich are getting richer; the poor, poorer.

The share of aggregate income that is received by each quintile of the population, reported by the Census Bureau, measures income inequality, which has been increasing in the past 20 years. Among the factors cited for this development by the Census Bureau is the changing composition of families and households. This includes the growth of the elderly population. In March 1990, 21.6% of the households had a householder age 65 and older compared with 19.3% in 1970. Since elderly households have considerable lower incomes than the nonelderly, this compositional change tends to increase income enequality.

Another compositional factor is the growing of persons living alone or with nonrelatives. The percent of households in this category grew to 29.2% of households in 1990 vs. 18.7% in 1970. These households have a much lower median income than family households--$17,120 vs. $34,630 in 1989--and their increase has had an effect on the inequality of income distribution.

Other factors include the growth of families with a female householder, no husband present, as well as the aging of the baby-boom generation, growth in labor force participation of women, as well as changing patterns in occupations and the growing gap in earnings.

SHARE OF AGGREGATE INCOME RECEIVED BY EACH FIFTH AND BY THE TOP 5 PERCENT OF U.S. HOUSEHOLDS AND FAMILIES: 1980, 1985, 1989
(Based on 1989 dollars)

Year	Number (thous.)	Lowest fifth	Second fifth	Third fifth	Fourth fifth	Highest fifth	Top 5%
HOUSEHOLDS							
1989	93,347	3.8%	9.5%	15.8%	24.0%	46.8	18.9
1985	88,458	3.9	9.8	16.2	24.4	45.6	17.6
1980	82,368	4.2	10.2	16.8	24.8	44.1	16.5

(continued)

INCOME DISTRIBUTION IN THE POPULATION

SHARE OF AGGREGATE INCOME RECEIVED BY EACH FIFTH AND BY THE TOP 5 PERCENT OF U.S. HOUSEHOLDS AND FAMILIES: 1980, 1985, 1989

(Based on 1989 dollars)
(continued)

Year	Number (thous.)	Lowest fifth	Second fifth	Third fifth	Fourth fifth	Highest fifth	Top 5%
FAMILIES							
1989	66,090	4.6	10.6	16.5	23.7	44.6	17.9
1985	63,558	4.7	10.9	16.8	24.1	43.5	16.7
1980	60,309	5.2	11.5	17.5	24.3	41.5	15.3

Source: U.S. Bureau of the Census: Current Population Reports
CONSUMER INCOME (Series P-60, No. 168)

EARNINGS INEQUALITY

The gap between higher and lower paid workers has been growing for a number of years, and evidence suggests this accelerated in the 1980s, for both men and women. Reasons put forth by economists include industrial restrictions (moving from a goods producing to a service-producing economy), the maturing of the baby boom generation, the rise in women's labor force participation, and the increasing number of minorities in the work force.

The gap has been growing when earnings distribution is analyzed by age, sex and racial groups, as well as by industry and occupation. Women, overall, earned 64% of men's earnings in 1988 compared with 57% in 1978.

The following table is from the detailed analysis of earnings inequality and its accelerated growth published by the Bureau of Labor Statistics in December 1990.

DISTRIBUTION OF EARNINGS OF ALL EARNERS AND FULL-TIME, YEAR ROUND EARNERS 1978 and 1988

			% Share of Aggregate Earnings				
	Thous. of Earners	Mean Earnings	Top Fifth	2nd Fifth	3rd Fifth	4th Fifth	Bottom Fifth
All earners							
1978	111,301	10,286	48.1	26.0	16.2	7.9	1.8
1988	131,125	19,419	48.6	25.2	15.8	8.3	2.1
Full time, year round							
Men:							
1978	41,036	17,526	37.3	23.3	18.2	13.6	7.5
1988	48,285	31,093	40.4	23.2	17.4	12.4	6.6
Women:							
1978	20,914	9,929	33.4	23.5	18.9	14.9	9.4
1988	31,237	19,854	37.3	23.6	17.9	13.4	7.8

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review (December 1990)

CURRENT MARKET STATISTICS

HOUSEHOLD WEALTH AND ASSET OWNERSHIP

The Census Bureau has recently issued a report on household wealth in 1988 compared with 1984, including types and medians value of assets; net worth by age and race, etc., based on a survey of over 20,000 households representative of the noninstitutional population of the U.S.

After years of economic expansion, the survey indicated that median net worth of U.S. households--assets minus debts--declined 3.4% in real, constant dollar terms. The 1988 median household net worth was $35,752; in 1988 dollars, the 1984 median was $37,012. The composition of household wealth, of course is subject to changes beyond the control of consumers, as well as their considered choices.

In 1988, 63.6% of U.S. households were homeowners, according to the Census Bureau survey, and their homes (with a median value of $43,070) represented 43% of total net worth. Real estate values were down by 1990. Interest-earning assets were second to homes in share of total net worth in 1988, and these values will be affected by falling interest rates, though some assets, such as owned bonds, might increase in value; and lower interest rates may lead to more homeownership.

OWNERSHIP RATES, MEDIAN VALUE OF ASSET HOLDINGS, AND THE DISTRIBUTION
OF HOUSEHOLD NET WORTH BY ASSET TYPE:
1984 (in 1988 dollars), 1988
(Excludes group quarters)

	% of Households Owning Asset Type		Median Value of holdings for asset owners		Distribution of total Net Worth	
	1988	1984	1988	1984	1988	1984
All assets	--	--	--	--	100.0%	100.0%
Interest earning assets at financial institutions	72.9%	71.8%	$ 3,494	$ 3,528	14.1	14.5
Other interest-earning assets (money market funds, bonds, govt. securities, etc.)	9.4	8.5	10,911	11,084	4.2	3.2
Checking accounts	48.3	53.9	487	511	0.6	0.6
Stocks and mutual fund shares	21.8	20.0	4,510	4,425	6.5	6.8
Own home	63.6	64.3	43,070	46,106	43.0	41.3
Rental property	9.0	9.8	37,439	39,235	7.9	9.0
Other real estate	10.5	10.0	18,064	16,904	4.3	4.4
Vehicles	86.3	85.8	4,416	4,558	5.8	5.9
Business or profession	12.5	12.9	10,446	7,270	8.8	10.3
U.S. Savings bonds	17.5	15.0	546	342	0.6	0.5
IRA or KEOGH accounts	24.2	19.5	9,016	5,480	4.2	2.2
Other financial investments	6.6	7.0	16,204	14,567	3.0	5.0
Unsecured liabilities	5.9	6.7	1,820	1,538	-2.9	-3.5

Source: U.S. Bureau of the Census: Household Economic Studies: Household Wealth and Asset Ownership: 1988 (Series P-70, No. 22)

HOUSEHOLD WEALTH AND ASSET OWNERSHIP

Home ownership represents the biggest share of total net worth; any decline in value contributes to declines in consumer confidence, reflected in turn in the reluctance to take on debt and the postponement of expenditures. According to the National Association of Realtors, the median price of an existing home in December 1990 was $91,900, down 4.6% from the level at the beginning of the year. For 1990, sales of previously owned single-family homes totaled 3.19 million, down 4.3% from 1989, and the lowest number sold since the 3.21 million total in 1985.

Real personal wealth fell by an estimated 8% in 1990, the first such drop since the 1961-62 recession, according to the Amex Bank Review. An age of inconspicuous consumption may well be arriving, predicts Industry Forecast, an economic newsletter based in Chappaqua, New York. "Practicality, prudence and need will gain in shoppers' minds at the expense of status, chic and luxury", according to this analysis.

Household Shares of Net Worth

The Census Bureau analyzed the distribution of net worth in relation to monthly household income levels. Median net worth in 1988 increased from $4,324 for households in the lowest quintile (20%) of households, based on monthly income, to $111,770 for households in the highest quintile. The lowest quintile held 7.0% of total net worth in 1988; the highest quintile, 44.4%. Comparable percentages for 1984 (measured in 1988 dollars) were 7.2% and 46.5%, respectively.

MEDIAN NET WORTH AND DISTRIBUTION OF NET WORTH, BY MONTHLY HOUSEHOLD INCOME QUINTILE: 1988

Monthly Household Income Quintiles (upper limits)	Number of Households (thousands)	Median Net Worth	Distribution of Net Worth
Total	91,554	35,752	100.0%
Lowest quintile ($939)	18,299	4,324	7.0
Second quintile ($1,699)	18,253	19,694	12.3
Third quintile ($2,568)	18,378	28,044	15.7
Fourth quintile ($3,883)	18,310	46,253	20.6
Highest quintile	18,314	111,770	44.4

Source: U.S. Bureau of the Census:
Household Economic Studies (Series P-70, No. 22)

HOUSEHOLD WEALTH AND ASSET OWNERSHIP

Household Shares of Net Worth (continued)

Very high-income people are probably underreported in the Census Bureau survey of 24,000 households, and concentration of wealth among the top brackets is probably considerably understated, and will probably continue to grow. Surveys by the Federal Reserve Board (FRB) have suggested that 1% of all households hold one-third of all personal wealth. Data analyzed by the FRB also suggests that for every dollar increase in their net worth, households increase their consumption roughly 5 cents. This adjustment takes place over about two years. (FRB Bulletin, January 1991)

CONSUMER CREDIT

Consumer worries about the economy and developments in the Persian Gulf were indicated in the drop for the first time in almost two years in credit extensions in December 1990. The FRB reported a 2.3% drop in the annual rate of growth (seasonally adjusted) in consumer credit outstanding which was the sharpest drop since February 1987 (5.2%), and compares with a 4.5% rate in November. The December contraction brought the seasonally adjusted total of consumer credit outstanding to $737.91 billion, which was 3% higher than the December 1989 level. This is well below annual increases in the 1980s which soared to as high as 20% in 1984. Consumer credit expanded 7.8% in 1989 and 8.9% in 1988.

The FRB series on installment credit includes most short- and intermediate-term credit extended to individuals that is scheduled to be repaid (or has the option of repayment) in two or more installments, excluding loans secured by real estate. All types of consumer credit handled through finance companies amounted to $516.1 billion (seasonally adjusted annual rate) at the end of December 1990, gaining 9.8% over the comparable December 1989 rate.

CONSUMER INSTALLMENT CREDIT BY MAJOR HOLDER OUTSTANDING:
December 1988, 1989, 1990
(Millions of dollars. Not seasonally adjusted)

				% Change	
	1990	1989	1988	1990/89	1989/88
Total	$749,852	$727,561	$674,719	3.1%	7.8%
Major holder					
Commercial banks	351,198	343,865	324,792	2.1	5.9
Finance companies	135,641	140,832	146,212	-3.7	-3.7
Credit unions	91,203	90,875	88,340	0.4	2.9
Savings institutions	49,594	57,228	69,399	-13.3	-9.7
Retailers	42,111	42,638	48,302	-1.2	-11.7
Gasoline companies	4,747	3,935	3,674	20.6	7.1

Source: Federal Reserve Board

CURRENT MARKET STATISTICS

CONSUMER CREDIT

In December 1990, revolving credit, which includes credit card debt, fell $1.23 billion, or 6.7% below the November seasonally adjusted annual rate. However, the total outstanding ($218.5 billion) was almost 11% higher than the total a year earlier. However, automobile debt, at $285.3 billion, was 1.9% lower than in 1989, the first reduction since 1980.

Despite efforts to reduce debt levels, credit sources indicate an increase in collections. Personal bankruptcies have also been on the increase. The American Collectors Association reported a total of $72.4 billion in debts listed with collection agencies in 1990 compared with $51.5 billion in 1989. But the collection rate fell to 18.4% of the total in 1990 from 21% in 1989.

INFLATION

The Consumer Price Index rose in the closing months of 1990 due mainly to the rise in oil prices after the invasion of Kuwait by Iraq. The inflation rate for the year stood at 6.1, the highest level since 8.9. With the expectation that oil prices will be lower and that there will be no major jumps in prices of food, housing or other necessities, a lower rate, between 3% and 4% is generally anticipated for 1991. Much depends on the course of hostilities in the Persian Gulf area.

Inflation rates, as measured in the December Consumer Price Index, has been as follows in recent years. These compare with 1979s rate of 13.3%, 1980s 12.5%.

DECEMBER-TO-DECEMBER PERCENT INCREASE, IN THE CONSUMER PRICE INDEX

Year	% Increase
1985	3.8
1986	1.1
1987	4.4
1988	4.4
1989	4.6
1990	6.1

Source: U.S. Bureau of Labor Statistics

RETAIL SALES

Preliminary estimates on sales through retail outlets in 1990 totaled $1,797.9 billion, about 3.7% above the 1989 total (in current dollars, not adjusted for inflation). The year-to-year change for nondurable goods stores was +0.1%; for nondurable goods stores, +5.8%. Sales of the general merchandise store group rose 3.6%, and accounted for 11.7% of total retail sales in 1990--equal to the group's 1989 share. Sales of apparel and accessory stores rose 3.5%, in spite of a sales decline in men's wear stores. Specialized homefurnishings and equipment stores registered a small (1.1%) increase, with the strongest performance registered by household appliance stores (+6.2%).

Estimated Retail Sales By Major Kind of Business: 1988, 1989, 1990

(Millions of dollars)

	1990(p)	1989(r)	1988(r)	% Change 1989/88	% Change 1990/89
Retail trade, total	$1,797,901	$1,733,654	$1,651,354	3.7%	5.0%
Total (excl. automotive group)	1,423,403	1,355,964	1,279,781	5.0	5.9
Durable goods stores, total*	646,369	645,524	627,370	0.1	2.9
Building materials group stores	92,944	93,018	91,206	-0.1	2.0
Automotive dealers, etc.	374,498	377,690	371,573	-0.8	1.6
Furn./appli./homefurn. group stores	90,979	90,016	85,395	1.1	5.4
Furniture/homefurnishings stores	49,160	49,914	47,466	-1.5	5.2
Furniture stores	26,864	27,239	27,141	-1.4	0.4
Floor covering stores	12,224	12,069	11,746	1.3	2.7
Household appliance, radio, TV stores	33,245	32,656	30,502	1.8	7.1
Household appliance stores	9,013	8,488	8,807	6.2	-3.6
Radio and television stores	24,232	24,188	21,695	0.2	11.5
Sporting goods stores, bicycle shops	13,955	13,268	12,538	5.2	5.8
Book stores	7,393	6,569	5,978	12.5	9.9
Jewelry stores	14,841	14,406	14,106	3.0	2.1
Nondurable goods stores*	1,151,532	1,088,130	1,023,984	5.8	6.3
General merchandise group stores	209,842	202,570	191,800	3.6	5.6
Dept. stores (excl. leased depts.)	170,120	163,803	155,126	3.9	5.6
Dept. stores (incl. leased depts.)	175,096	168,703	160,233	3.8	5.3
Conventional department stores	53,029	52,365	49,891	1.3	5.0
Discount department stores	84,369	78,450	73,476	7.5	6.8
National chain department stores	37,798	37,898	36,866	-0.3	2.8
Variety stores	7,096	7,189	7,175	-1.3	0.2
Miscellaneous general mdse. stores	32,626	31,578	29,499	3.3	7.0
Food group stores	367,827	349,269	326,504	5.3	7.0
Grocery stores	345,836	329,383	307,176	5.0	7.2
Apparel & accessory stores	94,461	91,227	84,865	3.5	7.5
Men's, boys' clothing, furnish. stores	9,423	9,456	9,375	-0.3	0.9
Women's apparel specialty stores, incl. furriers	32,840	32,399	30,757	1.4	5.3
Women's ready-to-wear stores	29,203	28,691	27,493	1.8	4.4
Family clothing stores	27,842	25,626	23,628	8.6	8.5
Shoe stores	17,431	16,771	15,383	3.9	9.1
Eating and drinking places	182,231	173,527	166,860	5.0	4.0
Drug & proprietary stores	66,632	61,104	57,444	9.0	6.4
Liquor stores	20,798	20,009	19,605	3.9	2.1
Nonstore retailers**	51,262	45,905	41,184	11.7	11.5
Mail-order houses (dept. store mdse.)	4,525	4,501	4,421	0.5	1.8
Other mail order	27,911	23,895	20,657	16.8	15.7
GAF total***	462,514	447,701	421,094	3.3	6.3

(r) revised (p) preliminary

* Includes store types not separately reported, such as gasoline service stations and many specialized outlets included in major groups.

** Includes establishments primarily selling merchandise through coin-operated vending machines, by house-to-house canvass, and from mail order.

***Represents stores that specialize in department store types of merchandise excluding apparel stores, homefurnishings stores, shoe stores, etc. as well as general merchandise store group.

Source: U.S. Department of Commerce, Census Bureau: Monthly Retail Trade

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THE SPORTS/FITNESS/LEISURE MARKET

Executive Summary

The total value at wholesale of U.S. shipments reached $44 billion in 1989, a 4.4% improvement over 1988 figures, according to the Sporting Goods Manufacturers Association (SGMA). The market components are as follows:

The Sports/Fitness/Leisure Market - Wholesale

	1988	1989	% Change 1988/1989
Athletic and sport equipment	$ 9,391	$ 10,034	6.8%
Athletic and sport footwear	6,350	6,970	9.8
Athletic and sport clothing	10,600	11,600	9.4
Subtotal	26,314	28,604	8.7
Recreational Transport	15,790	15,391	- 2.5
Total Sports and Recreation	$ 42,131	$ 43,995	4.4

The value of SIC 3949 (sporting and athletic goods industry) shipments jumped 52% between 1982 and 1987, the value added by manufacture improved 57%, and capital expenditures increased 74%, according to the U.S. Bureau of the Census.

R.O.S. (Return On Sales) in the industry is projected to reach 6.3% in 1990, a slight improvement over the 6.2% reported in 1989, according to the SGMA. R.O.S. is defined as profit after taxes divided by net sales, and is a key measure used to determine profitability.

The top five manufacturers in the industry in 1989 were Reebok, Nike, Russel, L.A. Gear and Wilson, in that order, according to SportStyle (6/11/90).

Manufacturers shipments of parkas/vests/jackets (25%), shorts (16%), and swimwear (13%), showed the highest percent improvement in dollar value when comparing 1988 to 1989, based on data reported by the SGMA.

Retail sales of sports equipment, apparel and athletic footwear increased 11% from 1988 to 1989. Sales are projected to increase at a slower rate (6%) in 1990, according to the National Sporting Goods Association.

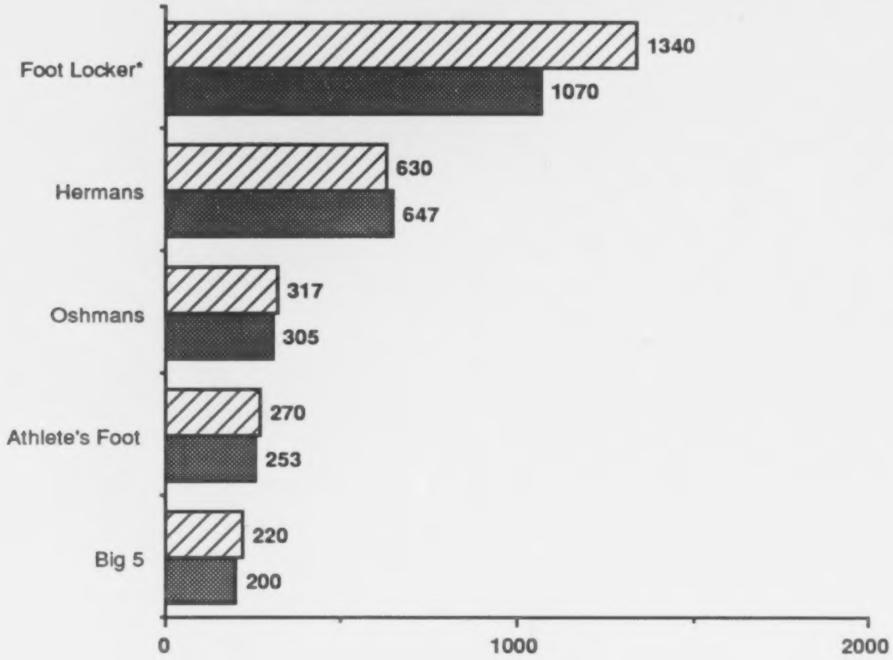
The top retail outlets for sporting goods in 1989, based on dollar sales, were: Footlocker, Herman's, Oshman's, Athlete's Foot, and Big 5, according to SportStyle.

Golf equipment was the primary U.S. export in sporting/athletic goods in 1989, while gymnasium and athletic equipment accounted for the majority of imports, according to the U.S. Department of Commerce.

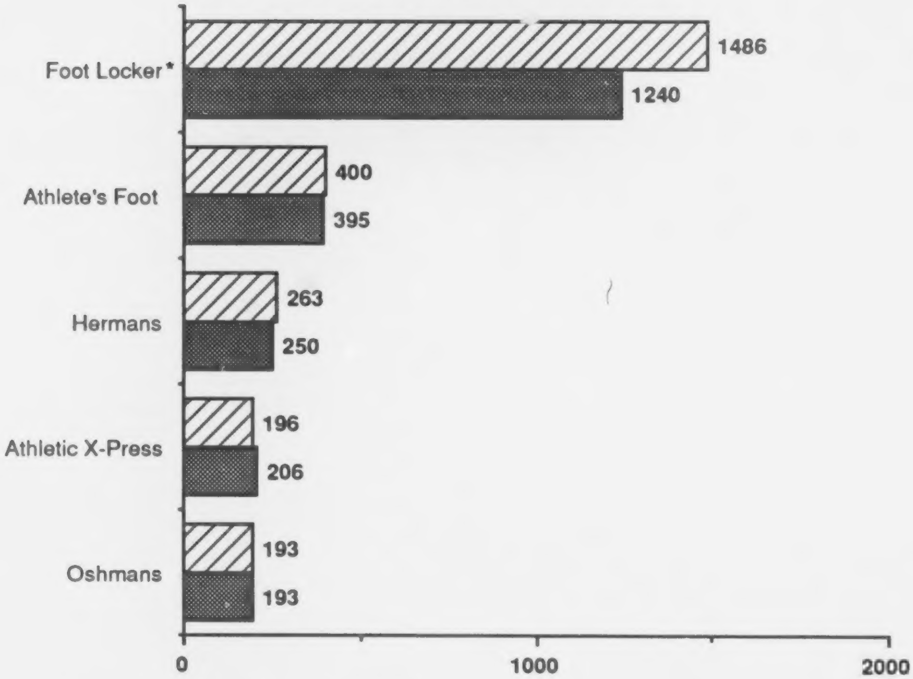
Top 5 U. S. Sporting Goods Retailers In $ Sales and Units

1989 vs. 1988

Dollar Sales in Millions



Number of U.S. Stores



*Includes Lady Foot Locker, Kids Foot Locker

▨ 1989
▩ 1988

Source: Fairchild Publications
SportStyle (6/11/90)

Market Trends

Retail

The stiff competition that retailers in the sporting goods industry have faced in the 80's will intensify in the 90's. Superstores, discounters and specialty stores are eating away at segments that were once the exclusive domain of traditional sporting goods stores. Herman's and Oshman's, two major sporting goods outlets, struggled through a rough 1989 with flat sales and declining profits. Meanwhile, specialty outlets like the Foot Locker chain, which have overrun malls, have pumped excitement into footwear retailing and have faced tremendous growth. Foot Locker specifically recognized the potential of the women's market and developed the Lady Foot Locker chain to meet their specialized needs.

Fan shops, a specialty niche that has been picking up momentum during these past few years, are becoming a fixed part of the sporting goods scene. Despite the wider distribution of licensed products, fan shops continue to multiply in number and sales volume. Sales increases of licensed apparel often topped 70% in 1989, according to SportStyle (6/11/90).

Athletic Apparel

In athletic apparel, looks are moving from a sports-specific niche into a wider market. Instead of limiting a garment by labeling it for one specific sport category, retailers are more profitably marketing and designing apparel for use in a variety of sports or leisure activities. "Lifestyle" apparel has emerged as a new category and is used as a tool by merchandisers to label all apparel which can be used for either active sports or streetwear.

Outdoor inspired looks have become popular in activewear, with increasing sales of items such as daypacks, walkshorts and new rugged hiking sneakers. Dark colors and earth tones such as browns, beiges and greens and jewel tones are replacing neon in several sport areas.

Athletic Footwear

In athletic footwear, the relatively new category of cross-training, and the renewed walking shoe category are enjoying steady growth. Sales of walking shoes reached $2.1 billion in 1989, up from $1 billion in 1987, according to NPD. With greater specialization, more advanced technical features, and higher price points, the walking shoe category now has a universal appeal.

Despite the wide variety of athletic shoe categories already available in the market, manufacturers continue to create new customized categories to meet consumer needs. "Specialized cross-trainers" were recently introducted and are intended for consumers who are looking for shoes that can be used for a number of sports activities that are related. Court cross-trainers and water cross-trainers are examples of "specialized cross-trainers". Sources agree that preventing confusion among consumers about this category will be a difficult task.

Sports Participation

A shift in sports participation is expected in the 1990's as demographic trends point to an aging population. As baby boomers confront middle age, increased family demands, combined with decreased physical stamina, will result in a shifting to lower-impact sports. Golf, walking, and biking have already shown signs of increased growth while long distance running and racquetball are on the decline. Bowling and hiking should also get a boost in participation during the next decade due to the interest by this group in established family style activities.

Americans are exercising more frequently, despite the shift to less-strenuous exercise. According to the Maritz Ameripoll, nearly three out of ten people (27%) engaged in more physical activity in 1989 than in 1988. Only 16% of the population exercised less often, and 56% exercised about the same.

An encouraging factor in the sporting goods market is the increase of sports activities overseas. American sports (primarily football and basketball) and American lifestyles are making in-roads in Europe. Furthermore, the demand for golf equipment overseas, especially Japan, is expected to continue and enhance market growth thoughout the 1990's.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS (Sporting & Athletic Goods)

The U.S. Department of Commerce, under the Standard Industrial Classification system, includes plants making most major types of equipment sold through sporting goods stores and general merchandise stores, as well as through distributors of school and team equipment, and other outlets.

Equipment for fishing, golf, gymnastics, exercise, archery, bowling, billiards, tennis, winter sports, water sports and team sports are included. Other related products--including functional activewear, athletic footwear and sports accessories--are components of broad Apparel and Footwear Industry classifications (covered in other Fact Files). Bicycle manufacturing plants are covered in industry data on the Motorcycle, Bicycle and Parts Industry.

Long term trends in U.S. manufacturing in the sporting/athletic goods and motorcycle/bicycle industries are analyzed in the annual Department of Commerce report, U.S. Industrial Outlook, compiled at the end of each year and published in January. As noted below, information is reported in constant (1987) dollars only (which eliminates the effects of inflation), however, the Outlook was compiled and released before the 1987 Census of Manufactures reports were available.

SPORTING AND ATHLETIC GOODS

GENERAL INDUSTRY STATISTICS

Recent Performance & Forecast: Sporting Goods, n.e.c. (SIC 3949) & Motorcycles, Bicycles and Parts Industries (SIC 3751)

	Millions of Dollars			% Change	
	1988(e)	1989(e)	1990(f)	1988/ 1989	1989/ 1990
Sporting and athletic goods industry:					
Value of industry shipments (1987 $)	$5,158	$5,211	$5,315	1.0	2.0
Motorcycles/bicycles and parts industry:					
Value of industry shipments (1987 $)	$1,000	$ 989	$ 980	-1.1	-0.9

n.e.c. not elsewhere classified
(e)estimated
(f)forecast

Source: U.S. Department of Commerce: U.S. Industrial Outlook 1990

The projected value of shipments in the sporting goods industry looks for a real increase of 2.0% during 1990 and an increase of 1.0% during 1989. Although the motorcycle/bicycle industry has seen a decline in recent years, the rate of decline appears to be slowing, as noted by the table above.

Results from the 1987 Census of Manufactures are summarized below. During intercensal years, the Bureau conducts annual surveys covering a sample of manufacturing plants in order to develop estimates on key measurements of manufacturing activity, but the 1987 data is the latest currently available.

Sporting & Athletic Goods Industry, n.e.c. (SIC 3949**)

	1987	1982	% Change 1987/82
Number of companies	1,710	1,453	17.7%
Number of establishments, total*	1,800	1,553	15.9
With 20 employees or more*	490	460	6.5
Employees, total (thous.)	53.4	47.8	11.7
Production workers (thous.)	39.7	36.0	10.3
Payroll (mil. $)	$ 911.2	$ 677.7	34.5
Value added by manufacture (mil. $)#	$2,798.3	$1,778.0	57.4
Value of industry shipments (mil $)##	$5,119.7	$3,376.8	51.6
Capital expenditures, new (mil. $)	$ 133.1	$ 76.5	74.0

(continued)

SPORTING AND ATHLETIC GOODS

GENERAL INDUSTRY STATISTICS

Motorcycles, Bicycles & Parts (SIC 3751**)

	1987	1982	% Change 1987/82
Number of companies	242	269	-10.0
Number of establishments, total*	246	273	- 9.9
With 20 employees or more*	56	67	-16.4
Employees, total (thous.)	7.4	13.0	-43.1
Production workers (thous.)	5.8	10.4	-44.2
Value added by manufacture (mil $)#	$ 367.8	$ 402.5	- 8.6
Value of industry shipments (mil. $)##	$1,062.6	$1,341.1	-20.8
Capital expenditures, new (mil. $)	$ 30.7	$ 23.1	32.9

n.e.c. not elsewhere classified
nr not reported

* Covers manufacturing establishments (plants) only, and each location is separately counted. Not included are separate auxiliary locations (i.e. administrative offices, purchasing offices, sales offices, etc.).

**Manufacturers are classified by industry under the Standard Industrial Classification system (SIC), determined by the principal products made as described on the following page:

SIC 3949 This industry comprises plants primarily engaged in the manufacture of sporting and athletic goods such as fishing tackle, golf and tennis goods, baseball, football, basketball and boxing equipment, billiard and pool tables, roller skates and ice skates, gymnasium and playground equipment, bowling alleys and equipment.

SIC 3751 This industry comprises plants primarily engaged in the manufacture of motorcycles, bicycles and similar equipment and parts. Establishments primarily engaged in the assembly of motorcycles or bicycles from purchased parts are also included in this industry.

# Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of other materials, contract work, etc., from the value of shipments, with adjustments for finished product inventories. It avoids duplication in value of production which results from the use of products of the same manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. This value includes both products described as primary to the industry and secondary products and miscellaneous receipts (including receipts on contract work and resales). The total value of product shipments by secondary producers, is covered in the SHIPMENTS section of this Fact File.

Source: U.S. Bureau of the Census:
1982, 1987 Census of Manufactures;

SPORTING AND ATHLETIC GOODS

GENERAL INDUSTRY STATISTICS

Employment & Earnings

Monthly and annual reports on employment and earnings are compiled and released by the Department of Labor, Bureau of Labor Statistics (BLS). The figures issued by the BLS differ somewhat from the annual employment totals arrived at by the Census Bureau due to a difference in methodology used in compilation.

Total employment in the sporting and athletic goods industry reached an average of 59,600 in 1989, a 2.9% increase over 1988 and a 19.4% increase over 1986 figures. A sharp gain is noted in employment figures from 1987 to 1988 when employment jumped 9.2%. This was due to a surge in exports, particularly an increase in demand for golf equipment in Japan, rather than an increase in domestic demand. According to the U.S. Industrial Outlook, the depreciation of the dollar relative to foreign currency has also improved U.S. exports since 1986.

For each of the first six months of 1990, employment averages were ahead of its corresponding 1989 month. July was the first month to experience a decline compared to last year.

Employment for production workers rose .9% in 1989 to 44,700 from 44,300 in 1988. Average weekly earnings for these workers jumped 16.3% from 1988 to 1989.

Employment & Earnings in the Sporting & Athletic Goods Industry (SIC 3949)
Annual Averages 1986-1989; Monthly Average July 1990
(Employment in thousands)

	Month of July	Annual Averages				%Change
	1990(p)	1989	1988	1987(r)	1986(r)	89/88
Employment, total	58.8	59.2	57.9	53.0	49.9	2.2%
Production workers	43.6	44.7	44.3	40.6	38.5	0.9
Avg. weekly earnings	$316.74	$315.46	$299.20	$290.87	$279.90	5.4
Avg. hourly earnings	8.08	7.77	7.48	7.29	6.98	3.9
Avg. weekly hours	39.8	40.0	40.1	39.2	40.7	-0.2
Avg. weekly overtime hours	2.8	2.3	2.2	1.9	2.9	-4.5

(p) preliminary (r) revised

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

Industry Concentration

According to the Census of Manufactures, in terms of individual plants in the sporting/athletic goods industry in 1987, 120 plants with 100 or more employees (6.6% of the total) accounted for 62.9% of value added by manufacture within the industry and for 63.3% of industry shipments.

In the motorcycle, bicycle, and parts industry, five plants with 250 or more employees (2.0% of the total) accounted for 56% of the value added by manufacturer and 63.9% of industry shipments.

Industry Concentration (continued)

Concentration By Employment Size: 1987

	Establishments		Value added by Manufacturer		Industry Shipments	
	Number	Percent	Mil. $	Percent	Mil $	Percent
Sporting & athletic goods industry (SIC 3949)						
Total	1,800	100.0%	2,798.3	100.0%	5,119.7	100.0%
By establishment (plant) size:						
Under 20 employees	1,310	72.8	261.0	9.3	471.9	9.2
20 - 99 employees	370	20.6	777.4	27.8	1406.5	27.5
100 - 499 employees	112	6.2	1345.8	48.1	2527.4	49.4
500 or more	8	.4	414.2	14.8	714.0	13.9
Motorcycle, bicycle & parts industry (SIC 3751)						
Total	246	100.0%	367.8	100.0%	1062.6	100.0%
By establishment (plant) size:						
Under 20 employees	190	77.3	44.7	12.2	108.5	10.2
20 - 99 employees	46	18.7	79.5	21.6	186.6	17.6
100 - 249 employees	5	2.0	37.5	10.2	88.0	8.3
250 or more employees	5	2.0	205.9	56.0	679.5	63.9

Source: U.S. Bureau of the Census:
1987 Census of Manufacturers

Leading Manufacturers

The Fairchild trade publication, SportStyle, compiles an annual list of the top companies in the business (The SportStyle 50). Sales figures come from a variety of sources inside and outside the respective firms.

The Top 50 Manufacturing Companies Based on U.S. Sales: 1989, 1988
(Millions of dollars)

Rank	Company	1989	1988	Rank 1988
1	Reebok (also Avia, Rockport, Ellesse)	$ 1,616	$ 1,601	1
2	Nike	1,531	1,181	2
3	Russell	688	531	3
4	L.A. Gear	617	224	12
5	Wilson	387	330	5
6	Spalding	337	305	8
7	Tultex	334	339	4
8	Ocean Pacific	311	309	7
9	Weider (also Weslo)	305	185	16
10	Bassett-Walker	300	285	9

(continued)

Leading Manufacturers (continued)

The Top 50 Manufacturing Companies Based on U.S. Sales: 1989, 1988
(Millions of dollars)
(continued)

Rank	Company	1989	1988	Rank 1988
11	Stride-Rite (Keds, Sperry)	$ 290	$ 219	13
12	Adidas	280	318	6
13	Pannill	278	248	10
14	Champion	260	217	14
15	Converse	233	240	11
16	Diversified Products	220	180	18
17	Acushnet (Foot-Joy, Titleist)	219	203	15
18	Coleman	210	188	16
19	Woolrich	173	172	19
20	Timberland	156	133	20
21	British Knights	131	90	25
22	Etonic-Tretorn	128	100	22
23	Rawlings	118	112	21
24	Asics Tiger	112	91	24
25	Prince (also Ektelon)	110	76.8	34
26	New Balance	109	98	23
27	Northwestern	105	84	28
28	Karsten	103	82	30
29	Dunlop	102	88.7	27
30	Gotcha	100	80	31
31	Taylor Made	97.7	74	36
32	Pacific Trail	90	89	26
33	Starter	83	60.3	42
34	Wolverine (also Brooks)	80.3	79.5	32
35	Pony	79	83	29
36	Columbia	78	60	45
37	American Recreation	75	71	37
38	Mizuno	74	63	39
39	Patagonia (also retail)	74	60	46
40	Body Glove	74	45	ne
41	Hobie	72	62	41
42	Quiksilver	70.7	48	ne
43	Logo 7	70	55	50
44	Head Sportswear	69.2	63.4	38
45	Roadmaster	69	79	33
46	Salomon	65	76	35
47	Nelson/Weather-Rite	64	62.5	40
48	The North Face (also Sierra Designs, retail)	63.5	54	ne
49	Hyde (Saucony, Spot-bilt, PF Flyers/Brookfield)	60.8	57.5	49
50	Chalk Line	60	42.3	ne

ne new entry

SportStyle, June 11, 1990

GENERAL INDUSTRY STATISTICS

Leading Manufacturers (continued)

The top five manufacturers listed below have been taken from a more detailed list compiled by SportStyle, covering 1988 and 1989 sales. Sources are market estimates or statements from corporate officers.

The Top Manufacturing Companies Based on U.S. Sales: 1988, 1989
(Millions of dollars)

Athletic Footwear (International *)

	1989	1988
Adidas	$ 1,620	$1,582
ASICs Tiger	971	932
Puma	465	423
Reebok	420	350
Nike	395	338

* Figures may include apparel sales; figures do not include U.S. sales.

Team Apparel

	1989	1988
Russell	$ 309	$ 240
Champion	60	45
Delong	50	41
Bike	34	30
Wilson	24	20

Athletic Footwear (Domestic)

	1989	1988
Nike	$ 1,297	$1,009
Reebok	1,153	1,155
L.A. Gear	585	224
Converse	227	232
Keds	219	153

Team Equipment

	1989	1988
Rawlings	$ 94.5	$ 90
Wilson	92	84
Spalding	68	65
Easton	37	31
Worth	33	33

Outdoor Footwear

	1989	1988
Rockport	$ 191.5	$ 171
Timberland	140.2	127.1
Sperry	71.2	66.0
Wolverine	47.8	45.5
Lacrosse	42.4	40

Golf Footwear

	1989	1988
Foot-Joy	$ 68	$ 58
Etonic	29	22.2
Nike	22	15
Dexter	14	14
Endicott Johnson	9.1	11.2

Outdoor Equipment

	1989	1988
Coleman	$ 192	$ 188
American Recreation*	75	71
Nelson/Weather-Rite	64	62.5
Johnson Camping	31	28
Henderson Camp	23	22.5

* Acquired Slumberjack in 1989

Golf Apparel

	1989	1988
Izod	$ 46	$ 42
Aureus	45.5	39.5
La Mode	25	23
Leon Levin	22	18
Pickering	21	26

Hunting/Fishing Apparel

	1989	1988
Woolrich	$ 33	$ 32.5
Walls	23.5	23.2
Columbia	15	15
Saf-T-Bak	16	15
Red Head	7.8	7.5

Golf Clubs

	1989	1988
Northwestern	$ 105	$ 84
Karsten	103	82
Taylor Made	97.7	74
Spalding	78	69
Wilson	61	56.4

(continued)

SPORTING AND ATHLETIC GOODS

GENERAL INDUSTRY STATISTICS

Leading Manufacturers (continued)

The Top Manufacturing Companies Based on U.S. Sales: 1988, 1989
(Millions of dollars)
(continued)

Rugged Outerwear

	1989	1988
Woolrich	$ 148	$ 147
Pacific Trail	90	88.5
Patagonia	26	21
Helly-Hansen	20	18
The North Face	14	13.5

Ski Apparel

	Seasons Spanning	
	1989/90	1988/89
Columbia	$ 43	$ 30
Head	35.2	33
Sport Obermeyer	32.5	30.2
CB	27.5	28
Roffe	20.9	23.8

Tennis Apparel

	1989	1988
Le Coq Sportif	$ 30	$ 28
Head Sportswear	25	22
Sergio Tacchini	22	17
Fila	14.5	13.7
Ellesse	13	9

Tennis Balls

	1989	1988
Penn	$ 39	$ 37
Wilson	38	36
Dunlop	10	12
Spalding	3	2.5
Nassau	1.5	1

Tennis Racquets

	1989	1988
Prince	$ 50.3	$ 44.3
Wilson	49	36
Head	28	28
Pro Kennex	17	15.5
Dunlop	12	9.5

Fleece

	1989	1988
Russell	$ 378	293
Tultex	334	339
Bassett-Walker	300	285
Pannill	278	248
Champion	120	100

Golf Balls

	1989	1988
Spalding	$ 177	$ 158
Acushnet	122	108
Dunlop	60	48
Wilson	55	31.2
Ram	12.5	11

Nordic Equipment

	Seasons Spanning	
	1989/90	1988/89
Karhu	$ 5	$ 6
Salomon	5	5.7
Fischer	4.4	5.5
Rossignol	3.6	4.4
Alpina	3.5	5.1

Alpine Skis

	Seasons Spanning	
	1989/90	1988/89
Rossingnol	$ 32.5	$ 34.3
K2	27.2	26.4
Elan	15.6	16.5
Dynastar	12.1	14.7
Atomic	12	12

Alpine Boots

	Seasons Spanning	
	1989/90	1988/89
Nordica	$ 35.1	$ 39.1
Salomon	35	38
Raichle	23.6	19.4
Tecnica	12	10
Lange	10.2	11.9

Alpine Bindings

	Seasons Spanning	
	1989/90	1988/89
Salomon	$ 25	$ 30
Marker	19.4	16.2
Tyrolia	14.8	19.8
Geze	6.4	6.2
Look	2	3

Activewear/Apparel(U.S.)

	1989	1988
Russell	$ 688	$ 531
Tultex	334	339
Ocean Pacific	311	309
Bassett-Walker	300	285
Pannill	278	248

GENERAL INDUSTRY STATISTICS

Leading Manufacturers (continued)

The Top Manufacturing Companies Based on U.S. Sales: 1988, 1989
(Millions of dollars)
(continued)

Performancewear

	1989	1988
Danskin	$ 50	$ 48
Jacques Moret	50	40
Weekend Exercise Co	49	39
Gilda Marx	35	36
Hind	26	21.6

Cyclewear

	1989	1988
Descente	$ 5.5	$ 5
Bellwether	4.75	4.8
Nike	4.75	4
Tinley Performcwr	4.5	5.5
Hind	3.2	7

Athletic Footwear Apparel

	1989	1988
Nike	$ 234	$ 171
Adidas	110	157
Reebok	42.1	45
LA Gear	32	2.7
Puma	18	38

Home Fitness Equipment

	1989	1988
Diversified Products	$ 220	$ 180
Weslo	204	105
Weider	101	80
Roadmaster	69	79
Nordic Trak	59	29

Beachwear

	1989	1988
Ocean Pacific	$ 288	$ 285
Gotcha	100	80
Body Glove	74	45
Hobie	72	62
Quicksilver	70.7	48.3

Junior Swimwear

	1989	1988
OP Juniors	$ 23	$ 24
Sunset Beach	22	15
Sassafras	21	25
Daffy	16.2	14
Barefoot Miss	15.8	16.9

Competition Swimwear

	1989	1988
Speedo	$ 52.4	$ 45
The Finals	13.2	8.3
Arena	9	6
TYR	4.9	1.2
Hind	4	3.9

Cleated Footwear

	1989	1988
Nike	$ 51.8	na
Adidas	30	na
Mitre	24	na
Pony	18	na
Puma	17	na

Inflatables

	1989	1988
Russell	$ 309	na
Wilson	48	na
Spalding	40	na
Rawlings	14	na
Baden	13.7	na

Diamond Sports

	1989	1988
Rawlings	$ 54.5	na
Wilson	40	na
Easton	32.5	na
H&B	30	na
Spalding	20	na

na not available

Source: SportStyle: June 11,1990; July 30,1990

SPORTING AND ATHLETIC GOODS

GENERAL INDUSTRY STATISTICS

Mergers and Acquisitions

Prince Manufacturing, Inc., the market leader in tennis racquets, is being offered for sale. Prince was acquired from Unilever N.V. in 1987 by senior management and a management buyout firm and is now being sold to finance plans for future growth. Warnaco, Inc. has completed a management buyout of the company's activewear division, which combines Speedo America swimwear, White Stag skiwear and Cerrera skiwear into a new company. The Head Tyrolia Mares sports group has acquired a majority stake in Calzaturi Ficio Brixia, a ski boot manufacturer. Rossignol Ski Company, Inc. has signed a letter of intent to acquire Roger Cleveland Golf Company, Inc. in order to diversify further out of the winter sports business. Besides Rossognol, other ski manufacturers that have moved into the golf business in 1990 include Head, Volkl, Descente and Nordica.

Operating Results

The Sporting Goods Manufacturers Association tracks the financial performance of the sporting goods industry through its annual financial survey. The survey revealed that industry sales of domestic companies, excluding Reebok, grew by 19.9% in 1989 vs. 17.2% in 1988. Sales are projected to grow 12.0% in 1990, according to the Association. Reebok was excluded due to extraordinary performance which would distort the overall picture of the industry.

Return on sales (R.O.S.), which is defined as profit after taxes divided by net sales, is a key measure used to determine profitability. For 1989, R.O.S. is reported at 6.2% and it is projected to reach 6.3% in 1990, as noted below.

Profitability
Return On Sales (Profit after tax/Net sales)

	1986	1987	1988	1989	Projected 1990
Sporting Goods*	4.1%	4.1%	5.5%	6.2%	6.3%

*Excludes Reebok for 1986-1990 for trending purposes

Source: Sporting Goods Manufacturers Association
1989 Financial Survey

Plant Capacity Utilization

For the fourth quarter of 1988, plants in the sporting/athletic goods industry in the U.S. operated at 67% of the industry's preferred rate, compared with an operating rate of 59% from the corresponding quarter of 1987. However, the 1988 level was 3% points lower than the level reported for the fourth quarter of 1985. The preferred level is defined as a level, normally between actual operations and practical capacity, which the manufacturer would prefer not to exceed due to costs or other considerations. The following figures represent the ratio of actual utilization to the preferred level of operations.

Plant Capacity Utilization (continued)

Preferred Capacity Utilization Rates: Fourth Quarters 1988-1985

	1988	1987	1986	1985
Sporting/athletic goods industry	67	59	50	70
Motorcycle/bicycle/parts industry	82	82	80	82

nr not reported

Source: U.S. Bureau of the Census:
Current Industrial Reports:
Survey of Plant Capacity, 1988 MQ-C1(88)-1

Materials Consumed

Delivered costs of materials in the sporting/athletic goods industry increased 38.6% in 1987 compared to 1982, according to the Census Bureau. The delivered cost of materials not only includes the price for material, but also freight charges and any other charges incurred by the establishment in acquiring these materials.

Materials Consumed In The Manufacture of Sporting/Athletic Goods, 1987/1982

	Delivered Cost (millions of dollars)		
	1987	1982	% Change
Sporting and athletic goods materials components, parts, containers and supplies, reported total	$1,862.9	$1,344.3	38.6
Mill shapes and forms,except castings and forgings	232.6	166.6	39.6
Aluminum and aluminum-base alloy castings	19.0	25.5	-25.5
Paints, varnishes, laquers, shellacs, japans, enamels and allied products	20.7	17.7	16.9
Plastic products (sheets, pellets, etc.)	168.8	129.2	30.7
Broadwoven fabrics	45.3	32.9	37.7
Leather, finished	15.8	30.2	-47.7
Bolts, nuts, screws, rivits, washers, etc.	45.3	15.7	188.5
Fractional horsepower electric motors (less than 1 hp, excluding timing motors)	7.1	3.3	115.2
Ball and roller bearings	4.4	nr	nr
Rough and dressed lumber	54.6	29.6	84.5
Parts specially designed for sporting goods	288.0	212.9	35.3
Paperboard containers and boxes and corrugated paperboard	50.8	41.4	22.7
All other materials and components, parts, containers, and supplies	535.7	365.9	46.4
Materials, components, parts, containers, and supplies, n.s.k.	374.6	273.4	37.0

nr not reported n.s.k. not specified by kind

Source: U.S. Bureau of the Census
1987 Census of Manufactures

SPORTING AND ATHELTIC GOODS

REGIONAL INFORMATION

The sporting/athletic goods industry is not highly concentrated on a regional basis. However, California accounted for 17% of all establishments in the U.S. Some information is withheld by the Census Bureau to avoid disclosure of individual operations.

Leading States Shipping Sporting/Athletic Goods, 1987

	Establishments (Plants)		Value Added by Manufacture		Value of Shipments	
	Total	With 20+ Employees	Mil. $	Percent	Mil. $	Percent
U.S. Total	1800	490	$2,798.3	100.0%	$5,119.7	100.0
California*	308	91	nr	nr	nr	nr
Florida	105	14	43.3	1.5	79.9	1.6
Texas	90	23	118.8	4.2	199.5	3.9
Michigan	80	19	137.2	4.9	221.9	4.3
Illinois	78	25	146.9	5.2	311.7	6.1
Washington	77	22	103.9	3.7	185.9	3.6
New York	64	23	99.6	3.6	185.1	3.6
Minnesota	63	18	nr	nr	nr	nr
Wisconsin	63	20	60.6	2.2	126.5	2.5

nr not reported

* In 1982, California accounted for 15.4% of value added by manufacture and 16.2% of industry shipments. These figures were not reported by the Census Bureau for 1987.

Source: U.S. Bureau of the Census, 1987 Census of Manufactures

PRODUCT SHIPMENTS

The value of industry shipments covered in the section on GENERAL INDUSTRY STATISTICS, is the value of all goods and services sold by plants classified in SIC 3949 (sporting/athletic goods) and SIC 3751 (motorcycles, bicycles, etc.), including both primary and secondary products. Product shipments, on the other hand, cover all shipments of specified products, regardless of covered plants' SIC codes based on their primary products.

According to the U.S. Industrial Outlook, constant dollar domestic product shipments of sporting and athletic goods are forecast to increase 1.7% during 1990. The International Trade Administration (ITA) believes that a surge of exports will be a major reason for the increase. However, if slow economic growth in 1990 causes a decrease in discretionary income, both foreign and domestic competitors may encounter decreases in overall shipments.

Constant dollar domestic shipments of motorcycles, bicycles, and parts are forecasted to fall 0.9% in 1990. Motorcycle ridership is down because the industry has not been able to attract new demand, according to the ITA. However, a trend towards more expensive bikes has softened the effects of lower sales volume on the monetary value of shipments.

SPORTING AND ATHLETIC GOODS

PRODUCT SHIPMENTS

In 1989, the Sporting Goods Manufacturers Association issued a report on the overall value of shipments of U.S. sports/recreation products in 1988 and 1989. The report is based on best estimates provided by key marketing personnel at sporting goods companies, trade associations, and SGMA market research studies.

According to the SGMA, a growth trend in the sporting and recreational industries continues as the value of shipments jumped 4.4% from 1988 to 1989.

In 1989, sports equipment sales increased by 6.8% over 1988, sports apparel by 9.4% and athletic footwear by 8.6%.

Step climbing machines (+180.0%), water sports-skis (+20.0%), and volleyball gear (+19.6%) showed the largest percent increases for sports equipment, when comparing 1989 to 1988 figures.

U.S. RECREATIONAL MARKET, 1988, 1989
Estimated Value of Manufacturers' Shipments
(Millions of dollars)

SPORTS EQUIPMENT	1989	1988	% Change 1989/1988
Archery	$ 193	$ 170	13.5%
Total Baseball/Softball	257	252	2.0
Gloves & Mitts	76	75	1.3
Baseball	44	44	0.0
Softballs	52	51	2.0
Bats	57	55	3.6
Batting Gloves	18	17	5.9
Protective	10	10	0.0
Basketball (Balls, Backboards, Accessories)	100	95	5.3
Billiards	130	113	15.0
Bowling	244	224	8.9
Total Camping	823	795	3.5
Tents	100	106	-5.7
Coolers/Chests	228	215	6.0
Sleeping Bags	125	118	5.9
Jugs/Containers	85	80	6.3
Backpacks	50	51	-2.0
Other	235	225	4.4
Total Exercise	930	848	9.7
Exercise	850	771	10.2
Exercise Cycles	280	273	2.6
Rowing Machines	40	90	-55.6
Home Gyms	60	60	0.0
Treadmills	250	200	25.0
Exercise Benches	50	50	0.0
Step Climbing Machines	70	25	180.0
Other Retail	100	73	37.0

(continued)

SPORTING AND ATHLETIC GOODS

PRODUCT SHIPMENTS

U.S. RECREATIONAL MARKET, 1988, 1989
Estimated Value of Manufacturers' Shipments
(Millions of dollars)
(continued)

SPORTS EQUIPMENT (cont'd.)	1989	1988	% Change 1989/1988
Exercise-Institutional	$ 80	$ 77	3.9
Firearms & Hunting	1,300	1,238	5.0
Football (Balls, Helmets, Pads, Sets)	110	115	-4.3
Total Golf	1,350	1,160	16.4
Balls	415	360	15.3
Clubs	685	580	18.1
Other	250	220	13.6
Ice Skates & Hockey	90	85	5.9
Optical Goods	305	285	7.0
Racquetball	55	55	0.0
Roller Skates	75	65	15.4
Skateboards	75	92	-18.5
Scuba & Skin Diving	209	198	5.6
Snow Skiing-Alpine	479	448	6.9
Snow Skiing-X Country	55	52	5.8
Soccer (Balls, Accessories)	22	21	4.8
Table Tennis	25	26	-3.8
Total Tennis	290	260	11.5
Balls	79	73	8.2
Rackets	154	135	14.1
Other	57	52	9.6
Volleyball (Balls, Sets)	55	46	19.6
Water Sports-Skis	90	75	20.0
Other water sports	333	280	18.9
Fishing	1,020	1,000	2.0
Miscellaneous (e.g. Lawn Games, Darts, Indoor Games, Boxing, Cricket, Field Hockey, Gymnastics, Handball, Lacrosse, Martial Arts, Paddleball, Polo, Rugby, Sleds, Toboggans)	170	158	7.6
Team/Institutional	1,250	1,235	1.2
TOTAL SPORTS EQUIPMENT	$ 10,034	$ 9,391	6.8

(continued)

PRODUCT SHIPMENTS

U.S. RECREATIONAL MARKET, 1988, 1989
Estimated Value of Manufacturers' Shipments
(Millions of dollars)
(continued)

	1989	1988	% Change 1989/88
SPORTS APPAREL			
Socks	$ 891	$ 865	3.0%
Swimwear	907	800	13.4
Sport Shirts	3,380	3,320	1.8
Shorts	1,345	1,160	15.9
Ski (exc. outwear)	312	287	8.7
Sweat Pants	840	820	2.4
Sweat Shirts	1,455	1,360	7.0
Sweat Suits	750	660	13.6
Parkas/Vests/Jackets (non-ski)	545	435	25.3
Team	405	390	3.8
Miscellaneous (Bowling, Cycling, Caps, Hunt/Fish)	770	503	53.1
Total Sports Apparel	$ 11,600	$ 10,600	9.4
ATHLETIC FOOTWEAR			
Aerobic	550	550	0.0
Basketball	1,570	1,310	19.8
Cross-Training/Fitness	800	540	48.1
Golf	245	190	28.9
Cleated	235	190	23.7
Running/Jogging	725	655	10.7
Other Court	65	45	44.4
Tennis	735	645	14.0
Walking	490	390	25.6
Other (Cycling, Bowling, Canvas, etc.)	100	85	17.6
Total Branded	5,515	4,600	19.9
Unbranded/Private label	1,455	1,750	-16.9
Total Athletic Footwear	$ 6,970	$ 6,350	9.8
TOTAL SPORTING GOODS EQUIPMENT SPORTS APPAREL, & ATHLETIC FOOTWEAR	$ 28,604	$ 26,341	8.6
RECREATIONAL TRANSPORT			
Bicycles & Accessories	1,000	900	11.1
Motorcycles (includes ATVs)	1,124	1,446	-22.3
Pleasure Boats & Motors	7,905	8,260	- 4.3
Recreational Vehicles (except Motor Homes)	4,974	4,830	3.0
Snowmobiles	200	200	0.0
Water Scooters	188	150	25.3
Total Recreational Transport	$ 15,391	$ 15,790	-2.5
TOTAL SPORTS AND RECREATION INDUSTRIES	$ 43,995	$ 42,131	4.4

Source: Sporting Goods Manufacturers Association
Recreation Market Report 1989

PRODUCT SHIPMENTS (continued)

The Census of Manufactures, covering all U.S. manufacturers with payroll, is the most comprehensive source available on product shipments and is compiled by the U.S. Census Bureau every five years. The most recent census covers operations in the year 1987. Findings in this census are compared with results in 1982 in the table below.

Of all sporting and athletic equipment, golf clubs showed the largest percent growth (114.9%) between 1982 and 1987. Golf balls is the only category that showed decline (-19.3%).

Value of Shipments of Specified Athletic Goods,
Motorcycles/Bicycles & Parts: 1987,1982
(Millions of current dollars)

	1987	1982	% Change 1987/82
Sporting and athletic goods, n.e.c.	$ 4345.9	$ 3160.8	37.5
Fishing tackle and equipment	407.5	341.9	19.2
Golf equipment	963.6	644.0	49.6
Golf balls (1,000 dozen)	161.2	199.8	-19.3
Golf clubs	606.8	282.3	114.9
Golf bags	68.8	41.1	67.4
Other equipment, such as carts, tees, and training devices (excluding shoes and apparel)	116.1	114.9	1.0
Golf equipment, n.s.k.	10.6	5.9	79.7
Playground equipment	192.4	na	na
Gymnasium and exercise equipment	602.9	na	na
Other sporting and athletic goods	1574.3	1314.1	19.8
Sporting and athletic goods, n.e.c., n.s.k.	605.3	329.4	83.8
Bicycles and parts	536.1	601.6	10.9
Motorcycles, motorbikes, motor scooters, mopeds and parts	495.3	480.8	3.0
Motorcycles, bicycles, and parts, n.s.k.	121.0	60.8	99.0

na not available
n.e.c. not elsewhere classified
n.s.k. not specified by kind

Source: U.S. Department of Commerce, Bureau of the Census: 1987 Census of Manufactures, MC87-I-39B, MC87-I-37C

U.S. PRODUCER PRICE & IMPORT/EXPORT PRICE LEVELS

The Bureau of Labor Statistics reports that the annual index covering U.S. producer prices for sporting and athletic goods in 1989 is 109.8, indicating an increase of 9.8% over the base period (the annual average for the year 1982).

The overall index for the year 1989 was 3.7% above the annual average reported in 1988, and similarly, the 1988 index was 3.5% above the 1987 annual index. For each month this year that data has been available (up to the month of June 1990), producer prices were up at least 2.0% compared to the same 1989 month, indicating a possible future trend in price increases for 1990.

SPORTING AND ATHLETIC GOODS

U.S. PRODUCER PRICE & IMPORT/EXPORT PRICE LEVELS

Producer Price Indexes for Sporting & Athletic Goods
(1982 Average = 100)

	Index Base	June 1990	Annual Average 1989	1988	1987	% Change 1989/ 1988/	1988/ 1987
Sporting & athletic goods	1982 Avg	112.9	109.8	105.9	102.3	3.7	3.5
Fishing tackle & equip.	Dec.1985	112.2	108.8	106.9	103.8	1.8	3.0
Golf equipment	Dec.1985	113.8	111.1	108.1	105.0	2.8	3.0
Bicycles, adult tricycles, unicycles & parts	Dec.1984	111.7	109.6	104.9	98.8	4.5	6.2
Playground, gym & gymnastics equip.	Dec.1985	114.6	108.7	104.8	103.9	3.7	0.9
Other sporting & athletic goods	Dec.1985	113.7	111.1	106.7	102.4	4.2	4.2

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

For the year ending June 1990, the import prices were down 0.6% from the preceding 12-month period in the sporting/athletic goods market. However, prices increased 0.9% in the first quarter of 1990, followed by a 0.3% increase in the second quarter 1990.

Export prices rose 3.0% for the year ending June 1990 vs. the preceding 12-month period. Although prices remained stable during the first quarter 1990, prices rose 2.0% during the second quarter.

In measuring export prices, the BLS included toys and games along with sporting goods. Indexes are based on the 1985 average, as noted in the table below.

Import & Export Price Indexes On Sporting & Athletic Goods
(1985 average = 100)

	Index		Percent Change Annual	Quarterly	
	June'90	March'90	June '89 June '90	Dec. '89 Mar. '90	Mar. '90 June '90
IMPORT PRICES					
Sporting goods	117.3	116.2	- 0.6	+ 0.3	+ 0.9
EXPORT PRICES					
Toys, games, sporting goods	108.8	108.8	+ 3.0	+ 2.0	+ 0.0

Source: U.S. Dept. of Labor, Bureau of Labor Statistics

SPORTING AND ATHLETIC GOODS

FOREIGN TRADE

Based on data reported by the U.S. Census Bureau, there was a trade deficit of 980 million dollars in the sporting/athletic goods industry in 1989. (The categories included in the sporting goods industry as defined by the Census Bureau are shown below. Data from this report cannot be compared to prior years' reports due to the reclassification of data under the new Harmonized Tariff Schedule.)

Exports

U.S. exports were valued at $797 million in 1989. The largest market for U.S. sporting goods in 1989 was Japan, which accounted for 34.3% of all U.S. exports, according to the U.S. Industrial Outlook. Japan is a market with tremendous potential and has just begun to be explored, the Oultook indicated.

The leading category of exports was golf equipment, which accounted for 54.0% of the total. Japan is the largest foreign market for golf equipment and demand is expected to increase with the growing popularity of the game.

Export values are defined as f.a.s. value, U.S. port of export, which excludes the cost of freight, insurance, and any charges or transportation costs beyond the port of exportation.

1989 U.S. Exports of Sporting Goods
(Value in thousands of dollars)

	1989 Value	Primary Destination
Sporting Goods, total	$797,252	
Fishing Rods, Hooks, Nets, etc.	49,013	Japan (25.8%) Canada (13.2%)
Ice & Roller Skates	9,438	na
Snow skis and other Snow ski equip.	32,990	Japan (26.1%) Germany (24.4%)
Water skis, surfboards, sailboards, other water sports	39,362	Japan (23.2%)
Golf equipment	434,061	Japan (61.3%)
Tennis, Badminton, etc. rackets, strung or not	10,561	Japan (17.8%) Spain (10.7%)
Gloves, mittens, mits, etc. for sports use	2,371	na
Gymnasium or athletic articles & equipment	87,217	Japan (17.3%) U.K. (12.5%) Canada (12.2%)
Sporting Goods, n.e.s.	132,238	

n.e.s. not elsewhere specified
na not available

Source: U.S. Department of Commerce, Bureau of the Census: U.S. Merchandise Trade: Exports, General Imports and Imports for Consumption, FT 925

SPORTING AND ATHLETIC GOODS

FOREIGN TRADE

Imports

Based on Commerce Department statistics, as reported by the Sporting Goods Manufacturers Association, the dollar value of U.S. imports of sporting goods rose 23.8% in the first quarter of 1990 compared to the same period of 1989.

Baseball/softball equipment (70%), racquet sports equipment (43%) and athletic footwear (32%) showed the largest dollar increases in import sales for the first quarter of 1990.

In 1989, the Census Bureau reported that U.S. imports of sporting goods were valued at approximately $1.8 billion, as noted in the table below. The leading category of imports in 1989 was gymnasium or athletic articles and equipment, accounting for 18.3% of the total.

Taiwan and South Korea were the two principal suppliers of sporting goods imported into the United States, accounting for 56% of the total in 1989, according to the U.S. Industrial Outlook. But according to the SGMA, Eastern Europe will be the next sourcing growth area for sporting goods, especially as Far East labor costs keep rising.

The SGMA reports the growth rate for sporting goods imports from 1988 to 1989 was less than the rate of growth for imports from 1987 to 1988. An industry source cited some contributing factors. In 1989, fishing tackle dealers tried to reduce their inventories due to a reduced consumer demand. Also, it took time for the large amount of golf equipment imported in 1988 to be distributed through retail outlets, which caused a slowdown in orders from vendors.

The import value below is defined as Customs Value, which is the price actually paid by the customer, not including freight, insurance, duties, etc.

1989 U.S. Imports of Sporting Goods
(Value in thousands of dollars)

	1989 Value	Principal Supplier to U.S.
Sporting Goods, total	$1,777,285	
Fishing Rods, Hooks, Nets, etc.	234,719	Korea (30.5%)
		Taiwan (18.2%)
Ice & Roller Skates	64,537	Taiwan (60.9%)
		Canada (27.9%)
Snow skis and other snow ski equip.	149,642	France (33.0%)
		Austria (32.6%)
Water skis, surfboards, sailboards, and other water sports	53,244	Taiwan (29.2%)
		Germany (13.3%)
Golf equipment	277,827	Taiwan (51.4%)
		Japan (19.2%)
Tennis, Badminton, etc. rackets, strung or not	107,806	Taiwan (70.6%)
Gloves, mittens, mits, etc. for sports use	164,169	Korea (59.1%)
		Taiwan (11.7%)
Gymnasium or athletic articles & equipment	325,173	Taiwan (74.1%)
Sporting Goods, n.e.s.	400,167	

Source: U.S. Department of Commerce, Bureau of the Census
U.S. Merchandise Trade: Exports, General Imports and Imports for Consumption (FT 925. Dec. 1989)

ACTIVEWEAR MANUFACTURES

Product Shipments

The U.S. Bureau of the Census recently released information on product shipments of men's and boys' activewear for 1987 (the women's and childrens' activewear report has not yet been released). Information below is based on a complete census of all manufacturers with payroll in the U.S. and is conducted every five years.

Value of Product Shipments of Activewear

	Value (in Mil)		% Change
	1987	1982	1987/82
Men's & Boys'			
Swimwear & Shorts	$434.9	$319.2	36.2
Athletic uniforms	176.8	76.9	129.9
Misc. outerwear including ski & snowpants, leggings, vests and jackets, jogging suits, etc.	664.8	338.0	97.0

Source: U.S Bureau of the Census
1987 Census of Manufactures

Current Industrial Reports, covering a sample of plants, are compiled by the Census Bureau during intercensal years to provide key measurements of manufacturing activity. The data provides more details on types of activewear than is covered in the 1987 census.

Production & Value of Shipments of Specified Activewear: 1989, 1988
(Quality in 1,000 dozens; Value in Millions of Dollars)

	Quantity		% Change	Value		% Change
	1989	1988	1989/88	1989	1988	1989/88
Total reported values	--	--	--	$2,785.8	$2,597.4	7.3%
Men's & boys':						
Sweatshirts	15,715	13,809	13.8	823.0	721.8	14.0
Sweatpants	5,167	4,750	8.8	301.8	269.1	12.2
Warm-up or jogging suits	589	442(r)	33.3	55.7	59.8	- 6.9
Swimwear, total (fashion & competitive)	945	1,300	-27.3	70.9	106.2	-33.2
Team sports uniforms, total	1,326	1,230	7.8	128.7	121.5	5.9
Ski jackets, incl. vests	68	60	13.3	23.3	29.7	-21.5
Ski pants	16	14	14.3	12.9	11.2	15.2
Ski suits & one piece ski coveralls	5	7	-28.6	4.3	5.6	-23.2

(continued)

ACTIVEWEAR MANUFACTURES

Product Shipments (continued)

Production & Value of Shipments of Specified Active Sportswear: 1989, 1988
(Quality in 1,000 dozens; Value in Millions of Dollars)
(continued)

	Quantity		% Change	Value		% Change
	1989	1988	1989/88	1989	1988	1989/88
Women's, Misses' & Juniors':						
Sweatpants	2,183	1,998(r)	9.3	$118.8	$109.7	8.3
Sweatshirts	3,605	3,312(r)	8.8	224.0	197.8(r)	26.2
Body suits and body shirts	743	557	33.3	68.7	56.7	21.2
Warm-up or jogging suits	842	1,349(r)	-37.6	122.1	123.3	- 1.0
Swimsuits, total (fashion & competitive)	3,382	3,248(r)	4.1	501.9	498.5(r)	0.7
Ski jackets, incl. vests	15	24	-37.5	18.3	21.6	-15.3
Ski pants	16	11	45.5	13.4	10.6	13.2
Ski suits & one piece ski coveralls	10	11	- 9.1	9.3	11.7	-20.5
Girls' & Children's*						
Jogging Suits	1,651	1,194	38.3	113.4	104.8	8.2
Swimsuits	807	673	19.9	58.9	50.5	16.6
Sweatpants	919	915	0.4	65.4	36.4	79.7
Sweatshirts	1,101	1,088	1.2	51.0	50.9	0.2

(r) revised

* Includes boys' sizes 2T to 4T and 4 to 7; Girls sizes 2T to 4T, 4 to 6X and subteen and teenage girls.

Source: U.S. Bureau of the Census:
Current Industrial Reports MA-23A (89)-1

The three major athletic footwear players involved with athletic apparel, Nike, Reebok, and Adidas, are placing greater importance on their activewear lines. The women's segment, in particular, is viewed as an area with tremendous growth potential. These companies have opened the lines of communication between their apparel and footwear divisions so that collections can be color and style coordinated. Reebok, for example, plans to introduce Pump® apparel, a signature collection that will cover all sports. Pump® apparel is tied in with Reebok's inflatable shoe, the Pump®.

In 1989, Reebok's apparel sales stood at $42.1 million, with 1990 projections at $50 million. Adidas had a rocky year in 1989, which they attribute to company restructuring, a rough retail climate, and delivery and operational difficulties. Their U.S. apparel sales stood at approximately $110 million in 1989, down from $157 million in 1988. Nike's total apparel sales stood at approximately $234 million in 1989, according to *SportStyle*.

ACTIVEWEAR MANUFACTURES

Unlike other major athletic footwear manufacturers, L.A. Gear, a fashion-oriented company, is making its mark with denim rather than hi-tech performancewear. Although others have tried and failed, L.A. Gear has successfully crossed the line from sporting goods to sportswear. L.A. Gear expects to sell a million units of junior jeans in 1990, which retail for as high as $72.00 a pair. L.A. Gear apparel sales, in general, jumped from 2.7 million in 1988 to $32 million in 1989, according to Women's Wear Daily.

ATHLETIC FOOTWEAR MANUFACTURES

Athletic footwear companies faced a moderately good year in 1989 though many registered sales declines or only slight increases, according to SportStyle (6/11/90). The National Sporting Goods Association reported U.S. sales at wholesale at $6.97 billion in 1989, a rise of 9% over 1988 figures. This increase was significantly lower than the 30% gain realized from 1987 to 1988.

According to analyst estimates as reported in SportStyle, athletic footwear's "Big Three" - Nike, Reebok and L.A. Gear - dominated the market in 1989 increasing their market share to 59%, a five point hike over 1988 figures. Other footwear makers therefore found themselves increasingly competitive as they battled over remaining share.

Cross-trainers led sales increases from 1988 to 1989, jumping 48.1% to $800 million wholesale, according to the SGMA. Nike, for example, boosted its wholesale market share in the cross-training fitness/category to $238 million or 30% of all cross-trainer sales in 1989, up from 24% in 1988.

Nike boosted its sales 29% from 1988 to 1989, which enabled them to overtake Reebok and move into the #1 spot in 1989 (in 1988, Reebok was in first place while Nike was in second). Reebok, however, is hoping that the success of its pump technology will help it to regain momentum against Nike. (Reebok's pump sneaker inflates by pushing a button, stiffening the shoes exterior).

Nike and Reebok are each vertically integrating by opening company owned retail outlets. They expect that the outlets will allow them greater control over operations and customer service.

As competition in the footwear market intensifies, athletic footwear companies are expected to significantly increase advertising expenditures, especially among larger companies promoting new product introductions. According to a SGMA financial study, advertising expenditures (as a percentage of net sales) are projected to reach 8.0% in 1990 up from 6.0% in 1989.(Nike and Reebok each spent about $60 million in advertising last year, according to the Wall Street Journal).

ATHLETIC FOOTWEAR MANUFACTURES

Production Shipments

The government classifies the U.S. footwear industry into two distinct categories: products with rubber or plastic soles vulcanized to fabric uppers (tennis shoes and various types of athletic and leisure shoes) and non-rubber footwear (jogging and running shoes, golf shoes, rubber-soled shoes with leather or plastic uppers).

According to Commerce Department figures, athletic footwear production declined 2.7% between 1988 and 1989. Production of fabric upper, rubber/plastic sole shoes declined significantly (-7.3%) during this period, as noted below.

Production of Athletic Footwear, by Type of Upper & Sole
(Thousands of pairs)

Type of Footwear (Men's, Women's, Children's)	1989	1988	1987	% Change 1989/88
Athletic Footwear production, total	78,644	80,779	64,026	- 2.6%
Fabric upper, rubber/plastic sole	55,123	59,485	53,655	- 7.3
Rubber or plastic uppers & rubber/ plastic soles, total	15,707	13,482	5,424	16.5
Made with cleats, spikes, sprigs, stops, etc.	67	64	0	
Leather uppers, total	7,814	7,812	4,947	0.0
Made with cleats, spikes, sprigs, stops etc.	782	713	1,108	

Source: U.S. Bureau of the Census
Current Industrial Reports (MA31A-89), (MA31A-88-1)

While the value of U.S. shipments of non-rubber athletic shoes increased substantially (11.4%) between 1988 and 1989, the quantity of goods shipped experienced little growth (0.2%) according to the Census Bureau.

Quality and Value of U.S. Shipments of Non-Rubber Athletic Shoes
(SIC 31490) By All Producers: 1982, 1988, 1989

Quantity (Mil. pairs)				Value (Mil. $)			
1989	1988	1982	% Change 1989/88	1989	1988	1982	% Change 1989/88
15.42	15.39	17.90	0.2%	171.3	153.8	213.5	11.4%

Source: U.S. Bureau of the Census
1987 Census of Manufactures (MC87-1-31A) and
Current Industrial Reports (MA31A-89)

Foreign Trade

International Opportunities

In 1989, Nike, Reebok and LA Gear each experienced double digit growth in international sales and all three expect that growth to continue through 1990 and beyond, according to SportStyle (6/11/90). With the collapse of Communism in Eastern Europe and the unification of Western Europe, footwear companies are looking for both market growth and new manufacturing opportunities abroad. In addition, with the growth of retail outlets, such as the Foot Locker chain in Europe, major opportunities are expected to unfold for dominant suppliers.

U.S athletic footwear companies are exploring ways to adopt global strategies into their sales and marketing efforts. Larger companies find that global introductions allow for unified marketing messages that aid in the forming of brand awareness, although exceptions are made for local tastes and sports preferences.

Industry sources agreed that the women's and children's athletic footwear hold the most promise for growth outside the U.S. market. Women abroad are recognizing the need for high quality sport-specific footwear for their sports regimen, according to a spokesman from Avia.

Running, tennis, and basketball shoes are doing well overseas but sales of cross-trainers are slow due to consumer's confusion over their purpose.

Effective January 1, 1989 Census material for exports & imports of athletic footwear were classified under the new Harmonized Tariff Schedule of the United States. Under this new system, U.S. trade statistics will be comparable to others using the system. However this conversion resulted in changes in the classification of footwear products, as some previously categorized as non-rubber now fall with a rubber category. As a result, comparisons of import/export levels to previous years were not made.

Export values are defined as f.a.s. value, U.S. port of export, which excludes the cost of freight, insurance and any other charges or transportation costs beyond the port of exportation.

U.S. Athletic Footwear Exports
(Thousands of dollars)

	1989	Primary Destination
Sports Footwear, total	$65,337	
Ski-Boots, cross-cty ftwr (outer sole & upper rubber/plastic)	769	France (37.1%)
Ski-Boots, cross-cty ftwr (outer sole rubber/plastic/leath upr leath)	117	na
Sports ftwr, outer sole & uprs rub/plas n.e.s.	1,691	na
Sports ftwr, outer sole rub/plas/leather upr leather n.e.s.	25,718	Japan (27.3%)
Tennis, basketball etc. shoes, outer sole rubber/plastic	37,042	Mexico (38.2%)

na not available

(continued)

Foreign Trade (continued)

International Opportunities (continued)

Over 95% of all athletic footwear in the U.S. is imported, according to Shearson Lehman Hutton. The major athletic footwear manufacturers primarily source production in Korea and Taiwan.

The import value below is defined as Customs Value, which is the price actually paid by the consumer not including freight, insurance, duties, etc.

U.S. Athletic Footwear Imports
(Thousands of dollars)

	1989	Primary Source
Sports Footwear, total	$665,893	
Ski-Boots, cross-cty ftwr (outer sole & upr rubber/plastic)	80,526	Italy (61.7%)
Ski-Boots, crss-cty ftwr (outer sole rubber/plastic/leath, upr leath)	4,172	Italy (54.5%)
Sports ftwr, outer sole & uprs rub/plas n.e.s.	68,296	Taiwan (59.1%)
Sports ftwr, outer sole rub/plas/leather upr leather n.e.s.	122,493	Taiwan (39.4%)
Tennis, basketball etc. shoes, outer sole rubber/plastic	390,406	Korea (61.0%)

n.e.s. not elsewhere specified

Source: U.S. Department of Commerce, Bureau of the Census
U.S. Merchandise Trade: Exports, General Imports and Imports for Consumption

Trends in U.S. Producer Prices vs. Import Prices

The Bureau of Labor Statistics tracks changes in the level of athletic footwear prices charged by U.S. producers (factory prices) and in import prices.

For the full year 1989, producer price indexes for athletic footwear out of U.S. factories registered 122.0 - 22% above the base period for the index, the 1982 average. In 1989, there was a sharp 10.9% increase over 1988 prices while in 1988, prices were up only a modest 1.8% over 1987. In May 1990, prices for this footwear were up 24.1% above the base period.

Trends in U.S. Producer Prices vs. Import Prices (continued)

Prices for imported athletic footwear increased 1.1% in the second quarter of 1990 and 1.3% for 12-months ending June 1990. Prices for imported leather footwear increased 1.9% in the second quarter this year. Plastic and rubber footwear prices increased 0.4% in the second quarter this year and 5.2% in the 12-months ending in June.

Prices for imported leather increased 8.5% in the 12-month period ending June 1990 and 8.8 % for the second quarter of 1990.

U.S. Producer Prices For Athletic Footwear
(Index: 1982 average = 100)

May	Annual Average			% Change	
1990	1989	1988	1987	89/88	88/87
124.1%	122.0	110.1	108.2	10.8	1.8

Source: U.S. Bureau of Labor Statistics

Indexes of Import Prices For Athletic Footwear
(1985 Average = 100)

			Percent Change		
			Annual	Quarterly	
Base Year	June 1989	March 1990	June 89-June 90	Dec 89-Mar 90	Mar 90-Jun 90
Aug 85	123.4	122.1	1.3	0.1	1.1

Source: U.S. Bureau of Labor Statistics

AT THE RETAIL LEVEL

CONSUMER MARKETS

Size of the Potential Market

The aging of the baby boom generation has resulted in the bulk of the population moving within the 35-54 category. As these baby boomers confront middle age within the next decade, a shift in sports interests from high impact to lower impact sports, is expected. Furthermore, it is believed that family-oriented sports will become more popular with this group.

While the majority of Americans will continue to fall into the 35-54 age category within the next twenty years, the fastest growing segment will be the 55-64 age category (65.8% growth between 1990-2010). This group looks attractive for sporting goods manufacturers and retailers who can look to sports-active seniors as a group with buying power. Similar to baby boomers, growth in low impact sports such as walking, biking, and golf is anticipated.

Births were on the increase in the 1980's because of the increase in female population of childbearing age. 3,913,000 babies were born in the U.S. in 1988, which compares with the 4,308,000 born at the peak of the Baby Boom in 1957. As these children get older throughout the 1990's an increase in expenditures of sporting and athletic goods is expected.

With the generally accepted income-sensitivity of the sporting goods market, the influx of women into the work force is aiding a boost in sales. As more women join the labor force, the median household income has risen dramatically. With less free time, these women are buying more fitness equipment for home use, as well as joining organized fitness groups.

The following are projections on population growth for males, females and the total group compiled by the Census Bureau. As noted, these are the "middle" of a series of three projections based on different assumptions; and this series generally proved to be quite reliable as an indicator in past projections by the Bureau.

POPULATION PROJECTIONS - 1990, 2000, 2010
(Middle Series*)

	Number (Thousands)			% Change	Percent Distribution		
	1990(p)	2000	2010	2010/1990	1990	2000	2010
MALE							
Total, all ages	122,243	131,191	138,333	13.2%	100.0%	100.0%	100.0%
Under 5 years	9,426	8,661	8,668	- 8.0	7.7	6.6	6.3
5 - 9 years	9,408	9,288	8,687	- 7.7	7.7	7.1	6.3
10 - 15 years	10,576	11,849	10,955	3.6	8.6	9.0	7.9
16 years & over	92,834	101,392	110,024	18.5	75.9	77.3	79.5
16 - 19	7,182	7,771	7,753	7.9	5.9	5.9	5.6
20 - 34	31,505	27,551	28,709	- 8.9	25.8	21.0	20.7
35 - 54	31,191	40,241	40,018	28.3	25.5	30.7	28.9
55 - 64	10,103	11,557	17,173	70.0	8.3	8.8	12.4
65 & over	12,853	14,273	16,372	27.4	10.5	10.9	11.8
Median age (years)	31.9	35.2	37.5	+ 17.5	--	--	--

(continued)

POPULATION PROJECTIONS - 1990, 2000, 2010
(Middle Series*)
(continued)

	Number (Thousands)			% Change	Percent Distribution		
	1990(p)	2000	2010	2010/1990	1990	2000	2010
FEMALE							
Total, all ages	128,167	137,076	144,241	12.5%	100.0%	100.0%	100.0%
Under 5 years	8,982	8,237	8,231	- 8.4	7.0	6.0	5.7
5 to 9 years	8,971	8,837	8,253	- 8.0	7.0	6.4	5.7
10 to 15 years	10,059	11,259	10,391	3.3	7.8	8.2	7.2
16 years & over	100,155	108,742	117,366	17.2	78.1	79.3	81.4
16 - 19	6,886	7,440	7,410	7.6	5.4	5.4	5.1
20 - 34	31,110	27,198	28,316	- 9.0	24.3	19.8	19.6
35 - 54	32,193	40,893	40,391	25.5	25.1	29.8	28.0
55 - 64	11,260	12,601	18,257	62.1	8.8	9.2	12.7
65 & over	18,706	20,608	22,991	22.9	14.6	15.0	15.9
Median age (years)	34.1	37.6	40.3	18.2	--	--	--

	Number (Thousands)			% Change	% Distribution		
	1990(p)	2000	2010	2010/1990	1990	2000	2010
MALE & FEMALE							
Total, all ages	250,410	268,266	282,575	12.8%	100.0%	100.0%	100.0%
Under 5 years	18,408	16,898	16,899	- 8.2	7.3	6.3	6.0
5 to 9 years	18,378	18,126	16,940	- 7.8	7.3	6.8	6.0
10 to 15 years	20,634	23,108	21,345	3.4	8.2	8.6	7.5
16 years & over	192,989	210,134	227,390	17.8	77.1	78.3	80.5
16 - 19	14,068	15,212	15,164	7.8	5.6	5.7	5.4
20 - 34	62,414	54,749	57,025	- 8.6	24.9	20.4	20.2
35 - 54	63,384	81,134	80,409	26.9	25.3	30.2	28.5
55 - 64	21,364	24,158	35,430	65.8	8.5	9.0	12.5
65 & over	31,559	34,882	39,362	24.7	13.0	13.0	13.9
Median age (years)	33.0	36.4	39.0	18.2	--	--	--

* Middle of a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels. Includes Armed Forces overseas. (Totals may not add to 100% due to rounding)

(p) Preliminary

Source: U.S. Bureau of the Census:
Current Population Reports,
Series P-25, No. 1089 (Jan 1989)

Note: For information on *Money Income By Age, Household Income*, etc., see the Fact File on CONSUMER MARKET DEVELOPMENTS (published annually).

Sports Participation

Sports participation is expected to shift in the 1990's, according to SportStyle (5\22\89). As baby boomers (estimated at 77 million) confront middle age, increasing work and family demands, combined with decreased physical stamina will result in a shifting to less strenuous sporting activities. Golf, walking and biking have already shown signs of increased growth while long-distance running and racquetball have been on the decline. Bowling, hiking and skiing should also get a boost in participation during the next decade due to the interest by this group in established family activities.

Based on their 1989 annual survey, the National Sporting Goods Association reported that swimming (70.5 million participants), exercise walking (66.6 million), bicycle riding (56.9) and fishing (46.5) drew the most participants. A participant is defined as someone seven years of age or older, who plays a sport more than once within a year. For swimming, exercise walking, bicycling, exercising with equipment, running/jogging and aerobics, participation is defined as doing the activity six times or more within the year. "Worked-out at a club" was included in the 1989 survey due to the great interest in fitness. The survey polled more than 50,000 Americans.

The NSGA also reported that bowling drew the most new participants (6.5 million) throughout 1989. One possible contributing factor to its increasing popularity is its wide appeal. Bowling is promoted as clean, wholesome family fun (some renovated lanes have nursuries, nice restaurants, and high tech scoring electronics). Also, late night rock 'n bowl appeals to singles and young couples.

Sports Participation 1989
(Participated more than once, seven years of age and older)
(Millions)

	Total 1989	New Participation 1989
1. Swimming	70.5	4.3
2. Exercise Walking	66.6	5.8
3. Bicycle Riding	56.9	5.6
4. Fishing	46.5	4.6
5. Camping	46.5	5.8
6. Bowling	40.8	6.5
7. Exercising/Equipment	31.5	5.4
8. Billiards/Pool	29.6	6.3
9. Boating (motor)	29.0	5.1
10. Basketball	26.2	3.6
11. Aerobic Exercising	25.1	4.4
12. Volleyball	25.1	4.1
13. Running/Jogging	24.8	2.9
14. Hiking	23.5	2.2
15. Golf	23.2	2.8
16. Softball	22.1	2.8
17. Rollerskating	21.5	5.2

Sports Participation (continued)

Sports Participation 1989 (continued)
(Participated more than once, seven years of age and older)
(Millions)
(continued)

	Total 1989	New Participation 1989
18. Tennis	18.8	3.0
19. Hunting with Firearms	17.7	0.7
20. Dart Throwing	17.4	5.6
21. Baseball	15.4	1.8
22. Calisthenics	15.1	2.1
23. Football	14.7	2.3
24. Table Tennis	13.7	4.0
25. Backpacking	11.4	0.7
26. Soccer	11.2	2.0
27. Skiing (Alpine)	11.0	1.5
28. Water Skiing	10.8	2.4
29. Horseback Riding	10.1	na
30. Canoeing	9.4	2.3
31. Racquetball	8.2	0.8
32. Skateboarding	7.5	1.9
33. Ice/Figure Skating	7.0	0.7
34. Archery	5.6	0.7
35. Skiing (Cross Country)	4.9	0.4
36. Sailing	4.7	1.1
37. Scuba	2.0	0.7
38. Snowboarding	1.6	0.4
39. Ice Hockey	1.5	0.4
40. Rugby	0.3	na

Note: 16.6 million people indicated that they "worked out at a club" in 1989.

na not available

Source: National Sporting Goods Association
The Sporting Goods Market in 1989

According to the NSGA survey, women constitute a majority of participants in 10 of 40 activities surveyed in 1989. Women represent approximately four-fifths (83%) of the aerobics participants and about three-fifths (65%) of exercise walkers. Women are a majority in five of seven activities characterized as fitness activities: aerobic exercising, exercise walking, calisthenics, swimming, and bicycle riding. Women are also more likely to "work-out at a club", representing 53% of participants. Although not the majority, a significant number of women participate in the categories of running/jogging (42%) and exercising with equipment (48%). Women showed the lowest participation rates versus men in hunting (9%), rugby (12%), football (13%), and ice hockey (13%).

Sports Participation (continued)

1989 Sports Participation

	% Female	Total Participants (Millions)
Aerobic Exercising	83.4%	25.1
Exercise Walking	64.4	66.6
Roller Skating	61.2	21.5
Ice/Figure Skating	60.1	7.0
Horseback Riding	59.2	10.1
Calisthenics	55.0	15.1
Swimming	52.9	70.5
Cross Country Skiing	51.9	4.9
Volleyball	51.7	25.1
Bicycle Riding	50.2	56.9

For the 55+ age group, according to the survey, exercise walking was the only activity in which this group exceeded its percentage of the U.S. population. This group represents 23.6% of the total U.S. population seven years of age or older and 27.1% of all exercise walkers. The study also found that there are distinct differences among men and women in this age group. Traditional outdoor activities, such as hunting and fishing, are more popular with men while fitness-related activities, both outdoor and indoor, attract a higher percentage of women.

1989 Sports Participation

	% Participants 55+ Age Group	Total Participants (Millions)
Exercise Walking	27.1%	66.6
Golf	17.8	23.2
Fishing	13.2	46.5
Exercising with Equipment	12.0	31.5
Hiking	10.7	23.5
Bowling	9.9	40.8
Camping	9.9	46.5
Swimming	9.9	70.5
Bicycle Riding	9.0	56.9
Aerobic Exercising	7.8	25.1

CONSUMER PRICE TRENDS

As measured by the Consumer Price Index compiled by the Bureau of Labor Statistics, retail prices of sporting goods and equipment were up 2.8% for the full year 1989 compared to 1988. For 1989, the annual Consumer Price Index was 111.1, or 11.1% over the average for the base period 1982-84.

Consumer Price Index For All Urban Consumers
(1982-1984 average = 100)

	Index Aug '90	Annual 1989	Average 1988	Percent Change 1989/1988
Sporting goods & equipment incl. vehicles, etc.	115.9	111.1	108.1	2.8
Sports vehicles, including, bicycles	117.0	112.3	108.9	3.1
Other sporting goods	112.3	107.4	104.9	2.4

Source: U.S. Department of Labor,
Bureau of Labor Statistics

RETAIL SALES: SPORTING GOODS & RELATED PRODUCTS

For a conservative estimate of the sporting goods market at the retail level, the National Sporting Goods Association sponsors an annual tracking study of consumer purchases of sporting goods. "The Sporting Goods Market in 1990" is based on a consumer panel of 80,000 U.S. households and is projected nationally. Estimates from this study should be viewed as minimal in each category since accessory items and items designed for leisure activity rather than specific sports are not included. Furthermore, not all products are surveyed in each category.

According to the study, total retail sales of sporting goods, apparel and athletic footwear have reached $28 billion in 1989 and are projected to grow 6% to $29.6 billion in 1990.

NSGA Projected Sales Of Sporting Goods & Related Products
(In millions)

	1989	1990(f)	% Change 1990/1989
Athletic Apparel	11,557.1	12,286.0	6%
Athletic Footwear	5,246.3	5,583.0	6%
Athletic Sports & Equipment	11,248.9	11,752.0	4%
Total	28,052.3	29,621.0	6%

(f)forecast

1987 Census of Retail Trade

Through a complete census of all U.S. retail businesses, the Bureau of the Census, U.S. Department of Commerce, compiles data on broad merchandise line sales by type of retail outlet every five years (for years ending in 7 and 2). Census results for 1987 are currently being released by the Bureau covering data on store types and on sales by product in outlets with one or more paid employees, and key findings are covered below.

1987 Census of Retail Trade (continued)

Sporting goods sales, as defined in Census Bureau Merchandise Line Code 500, include a wide range of products: team sports equipment sold to teams and institutions and individuals by retailers, tennis, golf, snow sport equipment; exercise/fitness equipment; firearms, hunting equipment and supplies; fishing tackle, camping and backpacking equipment and supplies, trophies and plaques; bicycles and parts (but not motorcycles), and other sports equipment. The classification also includes new and used boats, parts and accessories. Not included in the sporting goods total are sales of active sportswear and athletic footwear.

As reported, the total sales of sporting goods in 1987 amounted to $21,190,334,000, with sales in 72,806 retail establishments (business locations) with payroll. Excluding boat dealer sales -- a very specialized category -- sporting goods sales amounted to $14,996,129,000, in 67,632 retail establishments in business anytime during the year and with one or more paid employees.

Comparisons with findings in 1982 are affected by revisions in the 1987 census on store classifications and in methodology. Retabulations for comparability are limited. Noteworthy is the published revision in the total number of general line sporting goods stores and a reduction in 1982 sales for this group (see section on Sporting Goods Stores), but revisions on merchandise sales are not available. The sporting goods sales share of leading outlet types in 1987 was reported as follows:

Sporting Goods Sales By Type of Retail Outlet: 1987

	Establishments*		Sales	
	Number	Percent	Thous. $	Percent
Sporting goods total	72,806	--	$ 21,190,334	--
Less: Boat dealer sales	5,174	--	6,194,205	--
Sporting goods, total	67,632	100.0	14,996,129	100.0
Leading outlet types:				
Sporting goods stores	21,601	31.9	7,552,619	50.4
General line stores	7,959	11.8	3,478,688	23.2
Specialty line stores	13,642	20.1	4,073,931	27.2
Department stores**	7,740	11.4	3,573,482	23.8
Conventional	390	0.5	70,942	0.5
National chain	1,672	2.5	597,203	4.0
Discount/mass merchandiser	5,678	8.4	2,905,337	19.3
Miscellaneous general merchandise/variety stores	10,804	16.0	1,424,035	9.5
Catalog/mail order houses	2,977	4.4	818,537	5.5
Other retail outlets	24,510	36.3	1,627,456	10.8

(footnotes continued)

1987 Census of Retail Trade (continued)

*Each store location is separately counted, covering those with payroll in operation anytime during the year. Stores are classified on the basis of major activity.

**Sales of catalog order desks in the stores are included. Not included are leased sporting goods departments, which are classified as sporting goods stores (specialty line).

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Activewear and Athletic Footwear

Census reports include details on specialized merchandise line sales beyond the broad classifications for limited store types where reportablility was not a problem. While it is possible to compute a total for the broad merchandise line classifications used to define the sales of store types, it is not possible to calculate totals for all types of retail business for the detailed or specialized lines.

The following tables cover sales of two lines: men's and women's activewear (apparel for tennis, golf, jogging, swimming, etc.) and athletic footwear in store types for which information was reported.

Retail Sales of Activewear and Athletic Footwear in Reporting Retail Store Types: 1987

(Dollar sales in thousands)

	Men's Activewear			Women's Activewear		
	Number of Stores*	Sales	%	Number of Stores*	Sales	%
Reported total	35,971	$2,894,437	100.0%	51,495	$4,319,013	100.0%
Department stores	9,286	1,420,508	49.1	9,774	2,164,426	50.1
Conventional	2,094	569,630	19.7	2,310	1,243,904	28.5
National Chain	1,811	420,347	14.5	1,808	240,052	5.5
Discount/Mass mrchdsr.	5,381	430,531	14.9	5,656	680,470	15.8
Apparel specialty store	18,597	891,520	30.8	34,487	1,790,945	41.5
Men's wear stores	7,499	233,266	8.0	696	17,196	0.4
Women's clothing stores	982	22,438	0.8	23,025	971,832	22.5
Family clothing stores	10,116	635,816	22.0	10,547	796,935	18.5
Children's wear stores	--	--	--	219	4,982	0.1
Sporting goods stores	8,088	583,409	20.1	7,234	363,642	8.4
General line stores	4,533	398,027	13.7	4,157	238,906	5.5
Specialty line	3,555	185,382	6.4	3,077	124,736	2.9

(continued)

RETAIL SALES: SPORTING GOODS & RELATED PRODUCTS

1987 Census of Retail Trade (continued)

Activewear and Athletic Footwear (continued)

Retail Sales of Activewear and Athletic Footwear in Reporting Retail Store Types: 1987

(Dollar sales in thousands)
(continued)

	Athletic Footwear		
	No. of Stores*	Sales	%
Estimated Total	41,200	$ 4,540,877	100.0%
Shoe stores	22,116	2,777,067	61.2%
Men's shoe stores	1,212	59,289	1.3
Women's shoe stores	771	23,911	0.5
Children's shoe stores	263	16,569	0.4
Family shoe stores	19,870	2,677,298	59.0
Sporting goods stores	7,284	669,883	14.8
General line stores	4,836	587,633	12.9
Specialty line stores	2,448	82,250	1.8
Department stores**	5,112	851,032	18.7
Conventional	1,307	228,354	5.0
National chain	1,789	344,439	7.6
Discount/Mass merchandiser	2,016(e)	278,239(e)	6.1
Apparel specialty stores	6,688	242,895	5.3
Men's wear stores	932	29,494	0.6
Women's accessory stores	83	2,350	0.1
Family clothing stores	5,673	211,051	4.6

(e) estimated by Fairchild Market Research Department

* Each store location is separately counted. Stores are classified by their primary business.

** Sales of leased departments are not included. Leased departments are separately counted as retail stores in the kind of business they conduct. The department store descriptions are as follows: Conventional - Department stores which provide checkout service and customer assistance within each department; sell primarily nationally advertised brands; National Chain Department Stores - provide check out service and customer service within each department; usually have a catalog order service: are affiliated with a company which operates similar stores on a national basis; often sell soft and hard goods which are their own brands or are unbranded. Discount or Mass Merchandising Department Stores - convey the image of high-volume fast turnover at less than conventional prices; provide centralized checkout service; are usually self-service. Do not have a catalog order service.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)
and Fairchild Market Research Department

1987 Census of Retail Trade (continued)

Sporting Goods Stores

Each store location is classified under the 1987 Standard Industrial Classification (SIC) system based on its primary activity. Sporting goods stores (SIC 5941) are divided into two classifications:

General Line Sporting Goods Stores: Primarily sell a general line of sporting goods and equipment for hunting, camping, fishing, skiing, riding, tennis, golf and other sports; gymnasium and playground equipment sold at retail.

Specialty Line Sporting Goods Stores: Specialize in a maximum of four lines of sporting goods and equipment, such as guns, trophies, skiing, golfing, bowling. Bicycle shops are included. Stores primarily selling athletic footwear at retail are classified as Shoe Stores (SIC 566).

A leased sporting goods department, operating in a department store, etc. is classified as a sporting goods store.

The Census Bureau has developed comparative statistics for sporting goods stores in 1987 and 1982, as noted below, but not on merchandise line sales. Sales figures below cover total receipts, including sales of sporting goods

Comparative Statistics For Sporting Goods Stores: 1987 and 1982
(Sales in thousands of current dollars)

	Number of Stores*			Sales		
	1987	1982	% Change	1987	1982	% Change
Sporting goods stores (SIC 5941), total	21,601	19,554	10.5%	$10,077,322	$6,718,497(r)	50.0%
General line stores	7,959	7,824	1.7	5,077,048	3,581,057(r)	41.8
Specialty line stores	13,642	11,730	16.3	5,000,274	3,137,440	59.4

* Stores with payroll in operation anytime during year.

(r) revised. The Census Bureau revised their original 1982 count of general line sporting goods stores in operation at the end of 1982 down from 9,252 to 7,261.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-A-52)

1987 Census of Retail Trade (continued)

Sporting Goods Stores

Distribution of Sporting Goods Stores and Sales By Sales Size: 1987
(Sales in millions of dollars)

	General Line Sporting Goods Stores				Specialty Line Sporting Goods Stores			
	No.	%	Sales	%	No.	%	Sales	%
Total	7,959		$5,077.0		13,642		$5,000.3	
In oprtn. entire yr.	6,691	100.0	4,839.9	100.0	11,162	100.0	4,692.5	100.0
With annual sales								
$10 mil. - $25 mil.	10	0.1	158.6	3.3	9	0.1	116.7	2.5
$5 mil. - $9.9 mil.	82	1.2	545.1	11.3	32	0.3	199.1	4.2
$2.5 mil. - $4.9 mil.	287	4.3	952.1	19.7	113	1.0	393.8	8.4
$1.0 mil. - $2.49 mil.	964	14.4	1,536.5	31.7	764	6.8	1,111.4	23.7
$0.5 mil. - $0.99 mil.	1,122	16.8	781.5	16.1	1,662	14.9	1,139.7	24.3
Under $500,000	4,226	63.2	866.1	17.9	8,582	76.9	1,731.8	36.9

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-1)

Sporting Goods Store Firms

A firm consists of one or more stores under common ownership or control. A firm may operate stores in more than one classification, and is counted in each. A multiunit firm may operate only one store in a specified classification. Subsidiary companies of firms are included in data on the ownership firm.

Most sporting goods firms are single unit operations, as noted below. Three firms each operated more than 100 general line stores (for a total of 575), but sales figures for these are withheld by the Census Bureau due to disclosure rules.

Single and Multiunit Firms Operating Sporting Goods Stores: 1987
(Sales in millions of dollars)

	Firms		Stores		Sales	
	No.	%	No.	%	Mil. $	%
Sporting goods stores, total	18,634	100.0	21,601	100.0	$10,077.3	100.0%
Single units	17,119	91.9	17,119	79.3	5,425.8	53.8
Multiunits	1,515	8.1	4,482	20.7	4,651.5	46.2
1 - 4 stores	1,371	7.3	2,684	12.2	1,794.7	17.8
5 - 9 stores	105	0.6	630	2.9	596.8	5.9
10 - 24 stores	31	0.2	453	2.1	859.2	8.5
25 stores or more	8	*	765	3.5	1,400.8	13.9

(continued)

1987 Census of Retail Trade (continued)

Sporting Goods Store Firms (continued)

Single and Multiunit Firms Operating Sporting Goods Stores: 1987
(Sales in millions of dollars)
(continued)

	Firms		Stores		Sales	
	No.	%	No.	%	Mil. $	%
General line stores	6,248	100.0	7,959	100.0	5,077.0	100.0
Single units	5,658	90.6	5,658	71.1	1,908.0	37.6
Multiunits	590	9.4	2,301	28.9	3,169.0	62.4
1 - 4 stores	513	8.2	938	11.8	715.5	14.1
5 - 9 stores	48	0.8	289	3.6	344.3	6.8
10 - 24 stores	22	0.3	343	4.3	757.3	14.9
25 stores or more	7	0.1	731	9.2	1,351.9	26.6
Specialty line stores	12,442	100.0	13,642	100.0	5,000.3	100.0
Single units	11,461	92.1	11,461	84.0	3,517.8	70.4
Multiunits	981	7.9	2,181	16.0	1,482.4	29.6
1 - 4 stores	918	7.4	1,733	12.7	1,116.8	22.3
5 - 9 stores	56	0.4	342	2.5	244.3	4.9
10 stores or more	7	0.1	106	0.8	121.3	2.4

*Less than 0.1%

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-1)

Most sporting goods stores in business the entire year had sales of less than $500,000 in 1987. There were, however 18 firms -- 15 in general line sporting goods and 3 in specialty line - with sales of $25 million or more registered by each. They had 21.4% of sporting goods sales, with 4.8% of the stores.

Sales Size of Sporting Goods Store Firms: 1987

	Firms		Stores		Sales	
	No.	%	No.	%	Thous. $	%
Sporting goods store firms (SIC 5941), Total	18,634		21,601		$10,077,322	
In business the entire year	15,134	100.0%	18,077	100.0%	9,673,173	100.0
With annual sales of--						
$25 mil. or more	18	0.1	866	4.8	2,068,888	21.4
$10 mil. - $24.9 mil.	45	0.3	375	2.1	659,779	6.8
$ 5 mil. - $ 9.9 mil.	96	0.6	374	2.1	641,332	6.6
$2.5 mil. - $4.9 mil	262	1.7	641	3.5	893.554	9.2
$1.0 mil. - $2.49 mil.	1,128	7.4	1,693	9.4	1,683,054	17.4
$0.5 mil. - $0.9 mil.	2,161	14.3	2,515	13.9	1,479,576	15.3
Less than $500,000	11,424	75.6	11,613	64.2	2,246,991	23.3

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-1)

1987 Census of Retail Trade (continued)

Sporting Goods Store Firms (continued)

The Census Bureau has classified firms as "largest" based on total sales, including stores operated in more than one classification, in the following summaries.

Sales Size of Firms
Concentration By Largest Firms Operating Sporting Goods Stores: 1987

	Stores Operated		Sales	
	Number	As % of Total	Thous. $	As % of Total
Sporting goods store firms (SIC 5941), total	21,601	100.0%	$10,077,322	100.0%
4 largest firms	596	2.8	1,350,145	13.4
8 largest firms	669	3.1	1,664,301	16.5
20 largest firms	878	4.1	2,115,501	21.0
50 largest firms	1,178	5.4	2,587,202	25.7
General line store firms	7,959	100.0	5,077,048	100.0
4 largest firms	592	7.4	1,345,940	26.5
8 largest firms	664	8.3	1,657,436	32.6
20 largest firms	871	10.9	2,065,606	40.7
50 largest firms	1,132	14.2	2,450,342	48.3
Specialty line store firms	13,642	100.0	5,000,274	100.0
4 largest firms	51	0.4	121,239	2.4
8 largest firms	65	0.5	184,303	3.7
20 largest firms	128	0.9	325,613	6.5
50 largest firms	237	1.7	552,719	11.1

Source: U.S. Bureau of The Census:
1987 Census of Retail Trade (RC87-S-1)

Sporting Goods Stores

As noted on page 36, total sales of sporting goods in retail outlets with payroll covered in the 1987 Census, excluding sales by boat dealers, amounted to $14,996.1 million. General line sporting goods stores accounted for 23.2% of this total; specialty line sporting goods, 27.2%, bringing the sporting goods stores share of the covered retail market to 50.4%. Details on sales of sporting goods (available only for sporting goods stores) are shown below.

1987 Census of Retail Trade (continued)

Sporting Goods Stores (continued)

Sporting Goods Store Sales By Broad Merchandise Line: 1987
(Sales in millions of dollars)

	Total		General Line Stores		Specialty Line Stores	
	Number*	Sales	Number*	Sales	Number*	Sales
Sporting goods stores, Total	21,601	$10,077.3	7,959	5,077.0	13,642	$5,000.3
Sporting goods, total	21,601	7,552.6	7,959	3,478.7	13,642	4,073.9
Team equipment						
Institutions	4,808	392.1	4,093	367.4	715	24.7
Individuals	5,680	407.0	5,031	356.0	649	51.0
Tennis equipment	5,066	225.0	4,221	154.1	845	70.9
Golf equipment	6,157	881.0	3,469	168.3	2,688	712.7
Snow/skiing equipment	5,370	831.2	3,334	319.4	2,036	511.8
Exercise/Fitness equip.	5,402	499.1	3,969	377.1	1,433	122.0
Firearms/hunting equip.	7,023	1,037.3	4,238	371.2	2,785	666.1
Fishing tackle	7,277	661.1	4,406	261.4	2,871	399.7
Camping/backpacking equipment	5,558	517.5	4,046	379.5	1,512	138.0
Trophies, plaques	1,735	36.9	1,445	32.6	290	4.3
Bicycles, parts, accessories	4,978	942.9	1,160	53.6	3,818	889.3
Other sporting goods**	9,671	1,121.5	6,183	638.2	3,488	483.3
Activewear, total	15,322	947.0	8,088	636.9	7,234	310.1
Men's	8,088	583.4	4,533	398.0	3,555	185.4
Women's	7,234	363.6	4,157	238.9	3,077	124.7
Athletic footwear (men's, boys', women's, girls')	7,284	669.8	4,836	587.6	2,448	82.2
All other sales and receipts	--	907.9	--	373.8	--	534.1

* Covers stores with payroll in business anytime during the year, as well as leased sporting goods departments operating in other store types, selling the specified merchandise. Bicycle shops are included in specialty line sporting goods stores.

** Includes archery, billiards, and bowling equipment, badminton sets, skin diving/scuba/snorkeling gear, ice skates, etc. New and used boats and equipment are not included in the above table.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

1987 Census of Retail Trade (continued)

Department Stores

Sales of sporting goods and of activewear were reported in the 1987 Census for three classifications of department stores, as defined on page . The merchandise breakdowns on sporting goods for department stores are limited to two, as noted below, and figures on discount/mass merchandise sales of athletic footwear have not been reported by the Census Bureau (their total footwear sales amounted to $1,008.3 million in 2,811 stores).

Department Stores Sales of Sporting Goods And Related Products By Type of Department Store: 1987

(Dollar sales in millions)

	Total		Conventional		National Chain		Discount/M.Mrdr	
	Stores	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Dept. stores, total	10,041	$144,017.0	2,425	$46,017.8	1,818	$35,445.3	5,798	$62,553.8
Selected Msde.:								
Sporting goods	7,740	3,573.5	390	70.9	1,672	597.2	5,678	2,905.3
Bicycles, parts, accessories	6,225	804.8	110	34.0	1,134	134.9	4,981	635.8
Other sporting goods	7,679	2,768.7	338	36.9	1,671	462.3	5,670	2,269.5
Activewear	--	3,584.8	--	1,813.5	--	660.3	--	1,111.0
Men's	9,286	1,420.4	2,094	569.6	1,811	420.3	5,381	430.5
Women's	9,774	2,164.4	2,310	1,243.9	1,808	240.0	5,656	680.5
Athletic footwear	--	--	1,307	228.3	1,789	344.4	nr	nr

nr not reported.

* Sales data exclude leased departments, which are classified as sporting goods stores. Sales of catalog order desks operated within the store are included in the sales figures.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

The NRMA reported that sporting goods contibuted a typical, or median, 0.5% of sales in their reporting department stores.

1988 Merchandising & Operating Results For Sporting Goods In all Department Stores

Sales	Sporting Goods
Net sales % change from last year	6.5%
Net sales % of total share	0.5
Merchandising & Inventory	
Cumulative markon %	44.9%
Markdown % (including employee discounts)	22.7
Stock shortage %	2.8
Gross margin (incl. workroom cost & cash discounts)	34.0
Inventory productivity	
Stock turns at retail	2.1

Source: National Retail Merchants Association -
Merchandising and Operating Results: 1989 edition

MERCHANDISING/PROMOTIONAL TRENDS

Licensed Products

The licensing market, a relatively new addition to the sporting goods scene, contributed $3.0 billion to sales of sporting goods merchandise in 1989 (The Licensing Letter).

Contributing to sales growth of the licensed market in 1989 is the development of cartoon character/sports property cross licenses (Snoopy and the Chicago Bears, for example, appearing together on apparel). These cross-licensing programs appeal to consumers who would not ordinarily buy team licensed products, but are attracted by the recognizibility of cartoon characters. Also contributing to growth in 1989, the first major steps were taken to expand licensing retail and licensing property programs to foreign markets, especially Europe.

SportStyle magazine reports that sales increases of licensed sports apparel often topped 70% in 1989 over 1988 figures. Fan shops and chains continued to multiply in units and sales volume in 1989. Despite their success, fan shops are feeling the increased competition from airports, department stores, and general merchandise stores.

The top companies/properties listed below are from Sportstyle magazine, covering 1989 vs. 1988.

	Sales (Mil $)		%	Units		%
Fan Shops	1989	1988	change	1989	1988	change
Pro Image	51	34	50.0%	150	127	18.1
Fan Fair	41.3	28	47.5	130	105	23.8
Sports Fantasty/MLB	24.0	12	100.0	90	51	76.5
Spectathlete	16.5	18	- 8.3	35	48	-27.1

	Sales Mil. $		%
Licensing Properties	1989	1988	change
MLB	1100	650	69.2
NFL	800	650	23.1
NBA	750	525	42.9
NHL	150	100	50.0
NCAA	60	53	13.2

Advertising Patterns For Sporting Goods

Percent of Year's Total Newspaper Advertising Linage Run by Retailers Each Month: 1989

	Year Total	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sporting goods dealers	100%	5.3	6.0	7.3	8.1	8.8	10.0	6.0	8.8	5.7	7.6	11.6	14.8

Source: Newspaper Advertising Bureau: 1991 Newspaper Advertising Planbook

Advertising Patterns for Sporting Goods (continued)

National Advertising Expenditures For Sporting Goods: 1989

	Mil $	%
Spot TV	$97	37.5%
Magazines	90	34.8
Network TV	31	12.0
Spot Radio	19	7.3
Cable Network TV	12	4.6
Newspaper supplements	5.8	2.2
Network Radio	3.0	1.2
Outdoor	1.0	0.4
TOTAL	238.8	100.0

Sources: Leading National Advertisers, BAR/LNA Multi-Media Service,
Newspaper Advertising Bureau

RETAIL SALES TRENDS BY TYPE OF SPORT

Exercise/Fitness Equipment

The shifting of demographic trends is causing marketers of fitness equipment to adjust their products to meet the needs of a more affluent, maturing consumer by offering higher quality machines with more sophisticated electronics. Reflecting this trend, retail sales of exercise equipment rose 19% in 1989 and are forecasted to grow an additional 6% to $1.8 million in 1990, according to the NSGA.

Equipment with electronics gimmicks such as video screens, timers and dials have become big sellers. Consumers have shown a greater interest in aesthetics, as they are purchasing machines with high-tech plastic exteriors and designer color schemes.

Sales of stair climbers/steppers and treadmills in particular are expected to grow rapidly in 1990 as a result of an increased interest in machines that offer cardiovascular benefits.

Tennis

New life has been pumped into the tennis market after years of flat sales and decreasing participation. Tennis peaked in 1975 when 35 million Americans participated and purchased about 9 million racquets. By 1988, the Tennis Industry Association reported that there were 20 million players who purchased 2.7 million racquets.

Recently, however, the excitement over hot young tennis stars and the introduction of the wide body racquets has resulted in a resurgence of interest and participation in tennis.

The National Sporting Goods Association predicts that retail sales of tennis equipment will rise 7% in 1990 to $337 million.

Tennis (continued)

Retailers are reporting that tennis apparel is moving out of a sport specific niche into a wider market, according to SportStyle (8/27/90). Tennis wear is being purchased for fashion purposes and there are indications of a strong youth market for these products. Le Coq is one of many companies targeting consumers in their 20's, with apparel that is less tailored and is more relaxed.

Racquetball

About 10.4 million people participated in racquetball in 1989, an increase of 2.6% over 1988 figures, according to a national study released by the Racquetball Manufacturers Association. Racquetball popularity has stabilized since its rapid growth and decline in the 1970's and 1980's, according to the Association.

The NSGA projects that the racquetball market will remain at the same level in 1990 as 1989 with total retail sales of equipment at approximately 70 million. Racquetball shoe sales are also expected to remain flat in 1990, at 26 million.

Golf

Golf is a $20 billion industry and growing, according to the National Golf Foundation as reported in the December 1989 issue of Stores magazine. That includes equipment, travel and resort lodging, fees, tournament admissions, etc.

According to an NSGA survey, retail sales of golf equipment (not including apparel and shoes) are projected to reach $1.26 billion in 1990, an 8% increase from the $1.17 billion reported in 1989. Consumers tend to buy low and middle priced golf equipment at sporting goods shops, while upper-end lines are purchased at pro shops.

Retail sales of golf apparel are expected to grow 10% in 1990, a drop from the 15% growth realized in 1989. 1990 sales are projected to reach $1.6 billion, up from $1.5 billion in 1989. According to a trade source, pro shops dominate the golf apparel business, although specialty shops and sporting goods stores are doing part of the business. Different types of retailers, particularly department stores, are now creating space for golf apparel, although it tends to be sportswear that can be used for golf, not authentic golfwear.

Golf Pro Merchandiser, an industry trade publication, values the overall market at $1.3 billion based on a study conducted during the summer of 1990. Questionnaires were sent to a targeted list of professionals and retailers across the country. Their figure includes sales at golf shops and specialty stores, but not sporting goods stores or mass merchandisers. The study revealed a breakdown of the golf sales as follows: apparel (23.5% of sales), clubs (23.2%), balls (18.4%), accessories (9.4%), gloves (9.0%), shoes (8.5%), and bags (8.0%).

Golf (continued)

The National Golf Foundation's latest research revealed that 1989 was a good growth year in terms of total numbers of golfers and new players, although average rounds played per golfer dropped 7.7%. Approximately 23 million people participated in 1989 and that number is projected to reach 30 million by the year 2000. Growth segments include professional women and baby boomers.

The U.S. Industrial Outlook predicts that golf equipment sales abroad should increase in the 1990s, the largest foreign market being Japan. Other strong foreign markets include the United Kingdom, Spain, and West Germany.

Snow Sports

Cross-country ski: The lack of snow in recent years has hurt the cross-country ski industry, as retail sales have dropped 5.5% from Winter 1989 to Winter 1990. The United States Ski Industry Association (USIA) reports that approximately 276,000 pairs of skis were sold in 1989 and that figure fell to 260,000 in 1990. Cross-country ski sales reached a high in 1986, when approximately 400,000 pairs were sold.

Alpine ski: According to a study by the National Sporting Goods Association, retail sales of downhill skis are projected to recover slightly in 1990, increasing 4% to $463 million, after a 19% decline the previous year.

Faced with slow growth and poor snow seasons, many ski hardgoods companies are diversifying into everything from accessories to full apparel lines. U.S. ski firms have been forced to slash budgets, cut overhead and streamline operations in order to remain profitable, or at least in business.

Wheel Sports

Bicycles

The boom in sales of mountain bikes and biking accessories is fueling growth in the $2.5 - $3 billion bicycle industry. The mountain bike, especially popular with the junior market, is expected to account for about 50% of all bicycle sales in the United States in 1990. Projected sales of mountain bikes are now pushing to the $15 million mark.

However, industry sources say that a new strain of bicycle, known as the "hybrid" or "cross" bike, may replace the mountain bike within the next five years. This slim-wheeled, upright vehicle is a cross between a road bike and a mountain bike. One source believes that the cross-bike made significant strides this year because people realize that the mountain bike is overbuilt for use on city streets. Although just a few models were available in 1990, the cross-bike captured 10% of bike sales in some shops, according to SportStyle (10/22/90). Within a year, many expect cross bikes to win 25% of the market.

Interest in bicycling is on the upswing, with recreational riding (especially tours), commuting, and racing increasing in popularity. Heightened television coverage of cycling events has enhanced the image of this sport.

RETAIL SALES TRENDS BY TYPE OF SPORT

Roller Skates

In-line skates, or roller skates with a single row of wheels, are used for both cross-training and recreational use. These skates are faster than conventional models and require the use of more muscle and are considered more difficult to use.

In-line skating has become something of a national craze in the past three years with a market that is expected to top $50 million (wholesale) by the end of 1990, according to the N.Y. Times. Rollerblade, the company that introduced the first in-line skate in 1980, has an estimated 66% of this market.

One industry source reported that the in-line skating business is expected to continue to surge ahead this year and well into 1991.

Outdoor

Malden Mills, a fabric manufacturer, polled 400 outdoor industry leaders including retailers/buyers, manufacturers, and sales representatives in 1990. A large majority of these leaders predict that outdoor activities will experience growth in the next five years, particularly bicycling, hiking, backpacking, camping and cross-training. Although fly fishing and white water sports sales were sluggish in the past five years, these activities are expected to pick up over the next five years.

For outdoor activewear, industry leaders reported that performance and design are the two most important benefits affecting purchase, although color and price are also important. The study also revealed that synthetic/high performance fabrics are outselling natural fibers. In 1991, earth tones are expected to be the most important colors for backpacking, hiking, camping and fly fishing. Neon/brights are predicted for bicycling, running, skiing, white water sports, and cross-training.

Hiking looks have become a popular rage, as the environmentally conscious consumer of the 90's is interested in looking and feeling the part. Hiking is considered a valuable trend for the outdoor industry due to its wide appeal - it draws not only the traditional outdoor user but the younger customer who is tired with athletic styles and is interested in picking up on the American craze. Hiking shoes, in particular, are a big growth category, especially the lighter weight high-tops with a rugged look. According to an industry source, the core consumer group is going to be in their mid-teens to '20s who want hikers for fashion, not functional, purposes.

Sports Equipment

The Department of Labor conducts an ongoing Consumer Expenditure Survey covering a national probability sample of U.S. households representing the total civilian non-institutional population of the U.S. The primary objective is to provide information on consumer spending patterns to be used as a basis for revising the Consumer Price Index, as well as to provide information not otherwise available to marketers on household spending in terms of demographic characteristics.

Information on purchases of sports equipment of various types has been developed and published for the year 1988, projectable to 94,862,000 consumer units in the U.S.- roughly equivalent to U.S. household counts (the term household is used in connection with the figures reported below).

In 1988, expenditures for sports equipment averaged $87.81 per household (including both households with expenditures and those without.) Total consumer expenditures amounted to $8.3 billion in 1988, a 5% jump from the figure reported in the 1987 survey.

Household purchases of sports equipment were, on average, higher in the West than any other region.

Also, consumers throughout the country spent more on athletic gear/gametables etc. than on any other sports equipment category surveyed.

Expenditures For Sports, Recreation and Exercise Equipment: 1988
Based on a Survey of U.S. Households

Total consumer units: 94,862,000
Total sporting goods expenditures:$8.3 Billion

		Expenditures per household by Region			
	Total	Northeast	Midwest	South	West
Sports equipment, total	$ 87.81	$ 86.20	$ 84.03	$ 75.78	$ 113.95
Athletic gear/game tables/ ex. equipment	35.06	32.85	38.45	26.99	46.40
Bicycles	11.69	12.68	8.75	9.40	18.06
Camping equipment	3.17	1.80	2.92	3.39	4.53
Hunting/fishing equipment	15.37	12.85	15.17	17.31	15.06
Winter sports equipment	6.05	8.32	5.09	2.64	10.51
Water sports, other sports equipment	14.41	16.46	11.46	14.12	16.44
Rental/repair sports equipment	2.06	1.23	2.21	1.93	2.96

Source: U.S. Bureau of Labor Statistics
Consumer Expenditure Survey, 1988

CONSUMER PURCHASING PATTERNS

Activewear

The Sporting Goods Manufacturers Association (SGMA) defines activewear in the broadest sense for their projections, including activewear that may be used for active sports participation or leisurewear. The SGMA predicts that total active apparel sales in 1990 will reach $25.4 billion, a 9% increase over the $23.3 billion reported in 1989. Men's active apparel sales are projected to reach $9.2 billion at retail, a 8% jump over the $8.5 billion reported in 1989. Retail sales of women's athletic wear in 1990 are expected to grow nearly 14% to $9.1 billion from $8 billion last year. The Association predicts that children's athletic apparel sales will increase about 4% to $7.1 billion from $6.8 billion in 1989.

For a narrower definition of activewear, the National Sporting Goods Association (NSGA) projections are based on apparel purchases for active sports use only. The NSGA does not include accessory items or apparel purchased for leisurewear or streetwear. The NSGA projects total activewear sales to increase 6% to $12.3 billion in 1990.

SGMA 1990 Study

An SGMA study released in 1990 based on 1989 sales figures reports that sales of U.S. sports apparel in 1989 increased 9.8% in dollar sales and a 3.8% in unit sales over 1988.

The Association attributed total sports apparel growth in 1989 to the public's increased interest in high priced licensed products.

The report revealed that women increased their clothing purchases by 10.9% in 1989 compared to 1988, while men increased their purchases by 1.4%. The children's market was basically flat, with minimal increases in both dollar and unit sales.

The SGMA study is prepared by KSA/NPD, and is based on a panel of 11,500 households that reports its apparel purchases on a monthly basis. The panel is balanced for eight demographic variables to match the country's changing population characteristics. Ten sports apparel items for each of the women's, men's, and children's markets are covered. It includes purchases of both branded and unbranded/private label sports apparel.

According to the study, the following apparel categories exhibited the greatest dollar sales increases when comparing 1989 to 1988: women's jackets (38.2%), men's jackets (38.3%), women's T-shirts (31.9%), children's T-shirts (21.9%), women's shorts (21.6%), women's socks (21.1%) and women's sportshirts (18.2%).

Activewear (continued)

Rather than limit the use of a garment by designing or labeling it for a sport-specific purpose, activewear in the 1990's is more profitably being marketed as a product which can be used in a variety of sports.

Layering has become an important trend in activewear, reflecting a movement toward versatility. Layering allows individuals to create unique outfits by combining different colored solids in leggings, skirts, shorts and cropped T-shirts.

'Lifestyle' has emerged as a new apparel category, encompassing all activewear which can be used for a variety of purposes, including active sports participation as well as for casual/weekend use. Manufacturers and retailers are focusing on fashion in this category, but are basing their designs on function.

Body form will continue to dictate silhouettes in the spring of 1991, according to SportStyle magazine. Women, in particular, are interested in activewear with supportive features and fabrics that are both comfortable and feminine. An industry source predicts that neons will be replaced by bright colors mixed with a black or dark background in 1991.

Giant fleece companies, such as Russell and Tultex, dominated the activewear market in 1989, and in 1990, fleece continues to be a staple in many stores. Printed fleece, particularly tops with college logos, are doing especially well at retail. According to KSA/NPD, printed fleece grew by 20% in 1989, while apparel in general grew only 7%.

Fashion remains the driving force behind women's active apparel purchases, while the focus in men's apparel is still on function, according to Women's Wear Daily (2/22/90).

Men's Activewear

KSA/NPD provides information on specific apparel items such as men's sweats and bathing suits based on purchase panel data. According to KSA/NPD, purchases of men's sweats and warmups have increased 8.6% in unit sales and 12.6% in dollar sales when comparing 1989 to 1988. The higher % increase in dollar sales over unit sales possibly suggests a increase in purchases of higher priced apparel as well as a decrease in purchases of "on-sale" items.

CONSUMER PURCHASING PATTERNS

Men's Activewear (continued)

Purchases of Men's Sweats & Warmups: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Department stores	11.7	10.5	16.6	14.3
Chains*	15.2	17.0	14.7	16.9
Discount Stores**	41.4	39.4	30.4	27.8
Specialty Stores	5.8	7.2	8.8	10.8
Sporting Goods	5.0	4.3	8.1	7.2
All Other Outlets	20.9	21.6	21.4	23.0

*Includes Sears/Penney/Wards/
**Includes K-Mart/Walmart/Target, etc.

Purchases of Men's Sweats & Warmups by Price Points: 1989, 1988
(In Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Less than $5.00	9.8	9.8	2.8	2.9
$5.00 - $ 9.99	40.2	41.9	23.2	25.0
$10.00 - $14.99	23.2	22.7	23.2	23.2
$15.00 - $19.99	12.8	13.5	18.2	19.6
$20.00 & Over	14.0	12.1	32.6	29.3

Purchases of Men's Sweats & Warmups by Fiber Content: 1989, 1988
(Dozens and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Polyester Dominant	55.6	49.5	58.8	54.1
Cotton Dominant	16.1	15.4	18.5	18.1
Nylon Dominant	1.6	1.7	3.4	3.8
Acrylic Dominant	26.4	33.2	18.9	23.6
Other	0.3	0.2	0.4	0.4

Source for all Men's Sweats & Warmups Tables: KSA/NPD Purchase Panel

Men's Activewear (continued)

Men purchased 11% more swimwear in 1989 than in 1988, resulting in a 14.7% increase in dollar volume sales. The majority of purchases in 1989 were made at discount stores (33%), followed by department stores (22%), and then chains (15%).

Purchases of Men's Swimwear: 1989, 1988
(Units, Dollars in Millions)

	Units			Dollars in Millions		
	1989	1988	% Change	1989	1988	% Change
Total	16.1	14.5	11.0%	164.0	143.0	14.7%

Purchases of Men's Swimwear By Outlet: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Department stores	22.2	22.8	27.3	28.9
Chains*	14.6	10.8	15.1	12.8
Discount Stores**	33.3	33.3	19.2	20.4
Specialty Stores	8.6	8.3	12.7	11.4
Sporting Goods	3.2	2.3	4.8	3.7
All Other Outlets	18.1	22.5	20.9	22.8

*Includes Sears/Penney/Wards
**Includes K-Mart/Walmart/Target, etc.

Purchases of Men's Swimwear by Price Points: 1989, 1988
(In Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Less than $5.00	25.2	19.5	8.0	7.1
$5.00 - $9.99	33.9	48.3	24.2	36.9
$10.00 - $14.99	19.9	16.7	24.9	21.4
$15.00 - $19.99	11.8	7.3	20.3	13.1
$20.00 - $24.99	4.7	4.6	10.1	9.9
$25.00 - $29.99	3.2	1.4	8.5	3.9
$30.00 & Over	1.3	2.2	4.0	7.7

Men's Activewear (continued)

Purchases of Men's Swimwear by Fiber Content: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Polyester Dominant	13.6	21.7	11.9	21.5
Cotton Dominant	53.7	60.1	44.2	58.2
Wool Dominant	0.8	0.5	1.1	0.3
Nylon Dominant	31.9	17.6	42.8	19.9
Acrylic Dominant	--	0.1	--	0.1

Source for all Men's Swimwear Tables: KSA/NPD Purchase Panel

Women's Activewear

Women's purchases of sweats and warmups grew 1.5% in unit sales and 3.2% in total market dollars from 1988 to 1989, according to NPD data. The majority of purchases were made at discount stores (44%), followed by department stores (11.3%), and then specialty stores (11.0%). Similar to men, women prefer polyester dominant sweats and warmups over acrylic and cotton dominated goods. About two/thirds of sweats and warmups purchases were made between the months of September and January.

Purchases of Women's Sweats and Warmups By Type: 1989, 1988
(Units, Dollars in Millions)

	Total Market Units			Total Market Dollars (Mils.)		
	1989	1988	% Change 1989/88	1989	1988	% Change 1989/88
Total	170.4	167.8	1.5%	1,948.7	1,888.7	3.2%

Women's Activewear (continued)

Purchases of Women's Sweats and Warmups By Outlet: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Department stores	11.3	12.5	16.2	16.6
Chains*	10.7	12.3	11.8	12.3
Discount Stores**	43.5	41.0	31.1	30.8
Specialty Stores	11.0	10.9	15.6	15.4
Sporting Goods	1.6	1.5	2.8	2.9
All Other Outlets	21.9	21.8	22.5	22.0

*Includes Sears/Penney/Wards
**Includes K-Mart/Walmart/Target etc.

Purchases of Women's Sweats and Warmups by Price Points: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Less than $5.00	11.9	14.0	4.0	4.8
$5.00 - $ 9.99	45.5	44.2	28.0	28.5
$10.00 - $14.99	19.6	20.9	21.4	23.2
$15.00 - $19.99	11.8	10.8	18.3	16.9
$20.00 & Over	11.2	10.1	28.2	26.6

Purchases of Women's Sweats and Warmups by Fiber Content: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Polyester Dominant	56.3	46.0	61.6	52.6
Cotton Dominant	13.3	14.1	16.6	17.9
Acrylic Dominant	29.5	38.8	20.3	27.8
All Other Fibers	0.9	1.1	1.5	1.7

Women's Activewear (continued)

Purchases of Women's Sweats and Warmups by Month of Purchase: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
January	11.2	11.8	10.8	11.0
February	6.2	6.9	5.5	6.2
March	4.5	6.0	4.0	5.5
April	3.5	3.6	3.3	3.2
May	2.5	2.9	2.9	2.3
June	2.2	2.7	2.1	3.0
July	2.2	2.9	2.2	2.6
August	5.5	5.5	5.1	5.5
September	7.4	7.0	7.9	7.4
October	14.3	14.8	13.3	14.6
November	18.7	15.5	18.7	16.1
December	21.8	20.5	24.1	22.7

Source for all Women's Fleecewear Tables: KSA/NPD Purchase Panel

Women's Swimwear

Unit sales of women's swimwear grew 8.5% from 1988 to 1989 and total market dollars improved 12.1%. While only 22% of all women's swimwear purchases consisted of goods priced $30.00 and higher, this accounted for about 45% of all dollar sales. When comparing 1989 to 1988, swimwear purchases fell off during the month of June, but picked up during the months of July, August, and September. This trend suggests that more women are putting off purchases until swimwear goes on-sale. In fact, more swimsuit purchases were made on-sale in 1989 compared to 1988.

Purchases of Women's Swimwear: 1989, 1988
(Units and Dollars in Millions)

	Total Market Units (Dozens in Mil.)			Total Market Dollars (in Mil.)		
	1989	1988	% Change 1989/88	1989	1988	% Change 1989/88
Total	44.6	41.1	8.5%	955.1	851.7	12.1%

Women's Activewear (continued)

Purchases of Women's Swimwear By Outlet: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Department stores	21.0	20.1	30.4	27.7
Chains*	18.4	18.2	16.7	17.2
Discount Stores**	25.7	24.4	14.3	13.3
Specialty Stores	15.6	17.6	19.2	22.7
Mail Order	5.9	6.2	6.8	6.2
Off-Price	5.9	6.4	4.8	6.0
Sporting Goods	2.9	1.7	3.8	2.5
All Other Outlets	4.6	5.4	4.0	4.4

* Includes Sears/Penney/Wards **Includes K-Mart/Walmart/Target etc.

Purchases of Women's Swimwear by Price Points: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
Less than $5.00	5.0	8.6	0.8	1.4
$5.00 - $9.99	16.0	14.8	5.6	5.5
$10.00 - $14.99	20.0	14.9	12.2	9.2
$15.00 - $19.99	17.4	19.8	14.5	16.9
$20.00 - $24.99	10.3	10.8	10.9	11.8
$25.00 - $29.99	9.5	9.1	12.5	12.2
$30.00 & Over	21.8	22.0	43.5	43.0

Purchases of Women's Swimwear by Month of Purchase: 1989, 1988
(Units and Dollars)

	Total Market % Units		Total Market % Dollars	
	1989	1988	1989	1988
Total	100%	100%	100%	100%
January	2.3	1.5	2.8	1.6
February	4.2	3.8	5.8	4.2
March	6.5	7.4	7.8	8.1
April	9.9	10.9	10.5	12.9
May	17.5	16.1	18.5	15.8
June	19.4	24.5	17.9	26.6
July	20.6	19.4	19.5	16.2
August	11.0	10.1	8.0	9.2
September	3.8	2.6	3.8	1.6
October	1.6	2.0	1.3	1.8
November	1.2	1.2	2.0	1.2
December	2.0	0.5	2.1	0.8

Source for all Women's Swimwear Tables: KSA/NPD Purchase Panel

CONSUMER PURCHASING PATTERNS

Athletic Footwear

The following statistics were generated from a consumer tracking study by Footwear Market Insights, which measures trends in the total market for athletic footwear. The study monitors buying patterns of 30,000 households three times a year. Results are projected to the U.S. population.

	Athletic Footwear Demand (millions of pairs)			Percent Change	
	1989	1988	1987	1989/1988	1988/1987
Total Market	388.2	376.8	349.2	3.0	7.9
Men's	124.2	128.5	112.5	-3.3	14.2
Women's	157.1	139.2	130.4	12.9	6.7
Children's (boys,girls,infants)	106.9	109.1	106.3	-2.0	2.6

Source: Footwear Market Insights

Consumers spent $10.9 billion dollars on 388.2 million pairs of athletic footwear in 1989 - a 12.4% increase in spending and a 3.0% increase in units sold over 1988 figures.

Growth in the market is slowing, according to the data provided by Footwear Market Insights (FMI). In 1988, sales (in pairs) grew by 7.9% over 1987 figures, but in 1989 sales grew by only 3.0% over 1988.

The women's market is the fastest growing segment of the athletic footwear business, according to an FMI source. Sales of women's athletic shoes improved 12.9% in 1989 while sales in the men's and children's segments fell off during this 12-month period.

Recently released information for the 12-month period ending April 1990 confirms a future growth trend in the women's segment.

	(Millions of pairs) 12-month period ending		% change from previous year	
	April 1989	April 1990	1989	1990
Men's Athletic Footwear	126.4	123.5	6.0%	-2.3%
Women's Athletic Footwear	141.5	162.4	5.0%	14.8%

Source: Footwear Market Insights

The athletic footwear market includes two distinct types of footwear: tennis shoes, sneakers and other footwear with soles vulcanized to fabric uppers, and shoes primarily of leather or plastic, including jogging & running shoes, golf shoes, etc.

Athletic Footwear (continued)

Purchases of both women's tennis sneakers and athletic/jogging footwear picked up from 1988 to 1989 while purchases of men's athletic footwear fell in both of these categories.

Pattern in Athletic Footwear Purchases
(based on pairs)

	1989	1988	% Point Change
Total purchases, all types	100.0%	100.0%	--
Athletic/jogging footwear	34.0	33.8	0.2
Men's	14.3	14.9	-0.6
Women's	15.9	15.1	0.8
Boy's	2.6	2.7	-0.1
Girl's	1.2	1.1	0.1
Tennis sneakers	66.0	66.2	-0.2
Men's	20.3	22.2	-1.9
Women's	27.8	25.1	2.7
Boy's	11.3	12.0	-0.7
Girl's	6.6	6.9	-0.3

Source: Footwear Market Insights

For insights into athletic footwear purchases by type, the NSGA conducted a survey of 80,000 households to determine consumer expenditures in various footwear categories.

With the increasing popularity of walking as a sport, the once slow-growing category of walking shoes has received a sudden surge in demand. At one time, walking shoes were primarily targeted towards a mature market, but now younger men and women are steadily showing greater interest. The current cultural emphasis on family-oriented activities and the trend toward less-strenuous leisure activities are contributing factors towards the category's growth. In addition, walking shoes are now more sophisticated technologically and more specialized than a few years ago. A major athletic footwear company is convinced that walking is the "third fitness boom" after aerobics and cross-training.

Athletic Footwear (continued)

Share of Consumer Footwear Purchases by Category/Sport and Percentage Change in Sales '90 vs.'89

	Percent of Dollar Purchases 1990 Forecast	% Change In Sales '90 vs. '89
Aerobic Shoes	7.2%	-5%
Baseball/Softball	1.9	3
Basketball Shoes	5.7	9
Bowling Shoes	1.0	2
Football Shoes	0.9	-
Golf Shoes	2.5	7
Gym Shoes/Sneakers	21.4	6
Hiking Shoes/Boots	4.7	5
Hunting Boots	1.2	-
Jogging/Running	9.4	2
Racquetball Shoes	0.5	-
Soccer Shoes	1.1	5
Tennis Shoes	9.7	7
Volleyball Shoes	1.6	5
Walking Shoes	25.5	15
Workout/Fitness	5.7	-
	100.0%	

Source: National Sporting Goods Association:
The Sporting Goods Market in 1990

Seventeen magazine conducted an annual footwear survey in 1989 based on 2,000 members of their consumer panel, representing a cross section of the female 13-21 market. The following table reports types of athletic footwear purchased by this segment within a 12-month period.

Athletic Footwear Purchases
(within the past 12 months)

Athletic Footwear Type	Percent of Sample
Tennis sneakers/shoes	44.2%
Aerobic shoes	38.9
High-top sneakers	26.9
Running/Jogging shoes	24.3
Walking shoes	10.0
Cross-training shoes	9.9
Other/Casual sneakers	51.8

Source: 1989 Footwear Study
Seventeen Magazine

Athletic Footwear (continued)

Women are especially interested in athletic footwear for casual or fashion purposes rather than for active purposes, as unit sales in this category grew 32% in 1989. Only 22% of all purchases of athletic footwear in the women's market segment were for active sports participation.

Age is a factor in determining consumer's primary use of athletic footwear, according to an FMI analysis that appeared in Footwear News. Panel results revealed that older consumers have the highest rate of purchase for active use, while the younger market tends to purchase footwear for casual or fashion reasons.

The trend towards the purchase of footwear for casual or fashion usage has resulted in a shift in purchase by store type, according to FMI. From 1987 to 1989, within the high price segment, department stores and specialty shoe stores have grown in share, athletic shoe store share remained stable, and sporting goods store share has declined.

From 1987 to 1989, the average price of athletic footwear has increased 22% with retail price segments below $35 declining in importance. Surprisingly, the purchase rate of lower income consumers has not declined during this period.

One controversial issue surrounding the athletic footwear industry is the heavy marketing of athletic footwear to inner-city children. According to an article in U.S. News and World Report (4/30/90), many impoverished inner-city children purchase fashion sneakers retailing from $50 to $170 per pair and they are generally worn two to five weeks before being replaced. These high priced sneakers have become part of the inner-city culture and serve as a status-symbol among these teenagers. Some believe that the money for these sneakers is acquired through illegal activity. The athletic footwear companies claim that they are just responding to consumer demand for their products.

Trends that catch on in the inner-city often quickly spread to the rest of the country. Consumers between 15 and 22 years, in general, buy 30% of all sneakers and influence an additional 10% of sales through word of mouth.

SCHEDULE OF ADDITIONAL FACT FILES

Statistical Analysis of Retailing (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Department Store Sales: Outlines ownership change/ reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

Dresses and Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's, and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls'): A statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/ draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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by Retail Outlet

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INTRODUCTION

The Census of Retail Trade is part of the Economic Censuses compiled by the U.S. Department of Commerce, Bureau of the Census, every five years. The 1987 Census covered retail trade by store type as defined in the Standard Industrial Classification (SIC) Manual: 1987 and includes all U.S. establishments primarily engaged in selling merchandise for personal or household consumption. (If these retailers also sell some merchandise at wholesale prices for other than personal use, these sales are included in the reported sales totals). Not included in the retail trade census are governmental organizations, post exchanges, ships' stores and similar outlets operated on military posts by the Government, nor are direct sellers with no paid employees.

Detailed reports have been issued by the Census Bureau on retail businesses--firms and stores. Summaries on key retail outlet types have been covered in the Fairchild FACT FILE: A STATISTICAL ANALYSIS OF RETAILING (1990 edition), which should be used in conjunction with this report on merchandise line sales where store-wide or firm data are required.

The Census Bureau has compiled reports on sales of 41 major merchandise line groupings retail outlets with payroll in 1987. These lines are identified by merchandise line (ML) codes ending in "0". Within limitations involving reportability, additional breakouts on merchandise within the major groups has been developed by the Census Bureau. These involve sampling in some cases, and are estimates covering number of outlets and sales within the outlets where reasonably accurate information could be developed, and are identified by ML codes ending with a digit other than "0". (Store codes are identified by SIC numbers).

Thus, while total sales are reported for the 41 broad merchandise lines sold in outlets in the U.S. with payroll in 1987, no such totals can be calculated for the detailed (or specialized) lines reported for a limited number of outlet types.

This fact file includes information on the major merchandise line sales and supplementary sales data for 1987, with emphasis on apparel, footwear, homefurnishings, sporting goods, and related products. Additional details on specific products may be found in the specialized product FACT FILES.

The 1982 and 1987 censuses were conducted under similar conditions and procedures, and total sales of the major lines in outlets for the two years are comparable. Comparability by outlet type, however, has been affected to a limited extent by revisions in the SIC system adopted in 1987. The changes particularly affect SIC 53 (General Merchandise Stores) and SIC 57 (Furniture/Homefurnishings Stores).

A change in the system of counting stores was also made: the 1987 census counted retail businesses (establishments) in operation anytime during the year; the 1982 and earlier censuses counted establishments in business at the end of the year.

In both 1982 and 1987, leased departments are treated as separate retail establishments, classified according to the kind of business they conduct. Their sales are not included in figures on the stores in which they operate.

INTRODUCTION

Retailers are classified by their primary business, and each store location is separately counted. Most classifications are self-evident, but the following require some explanation:

DEPARTMENT STORES (SIC 531) Retail stores normally having 50 employees or more, (a change from the prior-1987 system of 25 or more), having sales of apparel and soft goods combined amounting to 20% or more of total sales, and selling each of the following:

1. Furniture, homefurnishings, appliances, radio and TV sets.
2. A general line of apparel for the family.
3. Household linens and dry goods (home textiles).

Stores with 25-49 employees, which met the above requirements, were classified as Miscellaneous General Merchandise Stores (SIC 539) in 1987, but as department stores in 1982. Catalog sales handled by stores are included in their sales.

Three types of operations were covered in 1987 Census data on merchandise line sales:

Conventional department stores: Stores which satisfy the criteria of a department store and:

1. Usually provide check-out service and customer assistance within each department.
2. May have a catalog order service.

These stores often sell soft and hard goods that are primarily nationally advertised brands, appliances which are serviced by another company, and limited lines of merchandise through special catalogs.

National chain department stores: Stores which satisfy criteria 1 and 2 (above) but are affiliated with a company which operates similar establishments on a national basis. These stores often sell soft and hard goods which are their own corporate brands or unbranded, and sell appliances which are serviced by their own company.

Discount or mass merchandising department stores: Stores which satisfy the criteria of a department store and usually:

1. Convey the image of a high-volume, fast turnover outlet selling a variety of merchandise for less than conventional prices.
2. Provide centralized check-out service.
3. Do not provide customer assistance within store departments. Usually self-service.
4. Do not have a catalog order service.

These stores often sell soft goods which are their own brands or unbranded; hard goods which are primarily nationally advertised brands; appliances which are serviced by another company.

SPECIAL TABULATIONS

The Census Bureau offers special tabulations, on a cost basis, of data collected in the 1987 Census of Retail Trade, depending on availability of time and personnel. Inquiries should be directed to the Chief, Business Division, Bureau of the Census, Washington, D.C. 20233.

RETAIL TRADE: MERCHANDISE LINES

Following is a summary covering 1987 sales by retail outlets with payroll of the 41 major merchandise line classifications, as reported by the Census Bureau. Comparisons are shown with 1982 Census findings, covering number of establishments selling each line and sales, measured in current dollars, without adjustment for inflation.

TOTAL SALES OF MERCHANDISE LINES IN U.S. RETAIL OUTLETS WITH PAYROLL: 1987 AND 1982
(Sales in millions of current dollars)

		1987		1982		% Change in Sales
Merchandise Code		Establishments	Sales*	Establishments	Sales	1987/82
	Retail trade, total	1,503,593	$1,493,308.8	1,330,316	$1,039,028.7	43.7%
100	Groceries & other foods	368,805	247,410.5	266,550	198,704.6	24.5
120	Meals & snacks	478,428	137,953.9	391,216	92,676.9	48.8
130	Alcoholic drinks	169,542	18,720.7	140,366	14,965.5	25.1
140	Packaged alcoholic beverages	179,259	29,650.7	157,377	25,632.6	15.7
150	Cigars, cigarettes, tobacco	275,358	23,231.2	240,883	14,664.4	58.4
160	Drugs, health & beauty aids	218,503	69,040.4	187,219	42,337.3	63.1
180	Soaps, detergents, & household cleansers	115,994	9,901.6	nr	nr	--
190	Paper & related products	118,635	9,232.3	nr	nr	--
	Apparel:					
200	Men's & boys' wear	117,094	41,646.9	104,078	29,461.0	41.4
220	Women's, girls', children's & infants' wear	174,747	85,616.5	145,965	57,522.9	48.8
260	Footwear (except infants' & toddler's)	111,310	22,732.4	111,607	17,016.8	33.6
270	Sewing, needlework, knitting goods	37,280	4,155.0	45,306	4,132.0	0.6
	Homefurnishings & Equipment:					
280	Curtains, draperies, dry goods	67,605	13,036.8	65,350	8,926.1	46.0
300	Major appliances	65,537	17,570.6	61,383	11,336.6	55.0
310	Small electric appliances	79,831	6,245.5	69,910	4,380.8	42.6
320	TV's & video recorders, tapes	66,042	13,379.9	58,735	6,841.2	95.6
330	Audio equipment (musical instruments, & supplies	85,909	16,944.4	74,084	11,278.7	50.2
340	Furniture, sleep equipment	78,872	29,843.0	67,720	19,086.0	56.4
360	Floor coverings	58,699	11,384.7	56,540	6,907.7	64.8
380	Kitchenware, homefurnishings	167,148	21,512.3	150,023	15,642.1	37.5
370	Computer hardware, software; calculating equipment, supplies	29,397	5,828.0	nr	nr	--
400	Jewelry	118,100	20,691.4	95,026	12,133.2	70.5
440	Photographic equipment, supplies	63,723	5,381.1	nr	nr	--
460	Toys, hobby goods, games	105,929	12,917.0	nr	nr	--
490	Optical goods	29,225	3,717.3	21,348	1,851.0	100.8
500	Sporting goods	72,806	21,190.3	70,468	13,038.1	62.5
580	Recreational vehicles	8,736	6,092.5	5,918	2,957.4	106.0
600	Hardware, tools, plumbing & electrical supplies	106,621	20,783.8	102,938	13,997.9	48.7

(continued)

RETAIL TRADE: MERCHANDISE LINES

TOTAL SALES OF MERCHANDISE LINES IN U.S. RETAIL OUTLETS WITH PAYROLL: 1987 AND 1982
(Sales in millions of current dollars)
(continued)

Merchandise Code		1987 Establishments	1987 Sales	1982 Establishments	1982 Sales	% Change in Sales 1987/82
620	Lawn & garden equipment, supplies	118,580	$ 16,846.6	94,938	$ 11,189.2	50.6%
640	Lumber & building materials	65,280	45,491.5	74,070	32,179.3	41.4
670	Paint, related products	57,354	7,103.0	nr	nr	--
680	Mobile homes	5,474	4,866.1	4,935	3,795.1	28.2
700	Cars, trucks, powered vehicles	51,451	251,243.5	48,863	139,687.2	79.9
720	Automotive fuels	150,733	87,432.0	155,892	89,288.0	- 2.1
730	Automotive lubricants	154,168	3,021.1	156,610	2,849.8	6.0
740	Auto tires, batteries, accessories	157,763	37,734.2	166,160	31,050.0	21.5
780	Household fuels	26,135	12,450.2	20,667	14,791.4	15.8
800	Pets, pet foods, supplies	81,858	5,009.4	nr	nr	--
850	All other merchandise	260,567	37,210.5	268,919*	52,892.4*	--
890	Unclassified merchandise	161,470	8,708.5	146,751	5,450.8	59.8
900	Nonmerchandise receipts	342,204	52,381.4	248,928	30,354.9	72.6

nr not reported.
* Includes sales of merchandise not separately reported in 1982.

Source: U.S. Bureau of the Census: Census of Retail Trade
(RC87-S-3, RC82-1-3)

GROCERIES/GROCERY STORES (ML Code 100; SIC 541)

SALES OF GROCERIES AND OTHER FOODS BY MAJOR RETAIL OUTLET TYPES: 1987
(Sales in thousands of dollars)

	Number of Establishments*	Sales	% of Sales By Outlet Type 1987	% of Sales By Outlet Type 1982
Groceries & other foods, total	368,805	$247,410,489	100.0%	100.0%
Food stores	190,041	227,345,870	91.9	95.5
Grocery stores	137,584	212,501,086	85.9	89.2
Meat/fish markets	11,364	5,495,570	2.2	2.6
Retail bakeries:				
Baking and selling	19,626	4,156,609	1.7	1.5
Selling only	2,164	536,839	0.2	0.2
Other food stores	19,303	4,655,766	1.9	2.0
General merchandise stores dept. stores, food, variety, etc.)	26,112	7,778,454	3.1	1.6
Nonstore retailers	5,271	3,051,207	1.2	0.8
Other outlets**	152,652	9,234,958	3.8	2.1

*Outlets with payroll selling food. Each store location is separately counted.

**Includes mail order houses, merchandising machine operators, direct selling establishments.

Source: U.S. Bureau of the Census: Census of Retail Trade
(RC87-S-3, RC82-1-3)

GROCERIES/GROCERY STORES

Grocery Stores (SIC 541)

The share of total grocery stores accounted for by groceries and other foods dropped from 78.2% in 1982 to 74.4% in 1987, as greater emphasis was placed on nonfood items, such as soaps/cleaners, health aids, cosmetics, etc. Differences in rates of price increases also account for changing patterns in contributions to total sales.

GROCERY STORE SALES BY MERCHANDISE LINE: 1987
(Sales in thousands of dollars)

	Number of Establishments	Sales	% of Sales 1987	% of Sales 1982
Grocery stores, total	137,584	$285,481,116	100.0%	100.0%
Grocery and other foods	137,584	212,501,086	74.4	78.2
Meat, fish, poultry	97,739	42,039,563	14.7	17.3
Fresh fruits, vegetables	96,775	20,410,146	7.1	6.8
Frozen foods	96,058	12,561,874	4.4	4.2
Dairy products	112,708	18,685,486	6.5	7.4
Bakery products				
Baked on premises	34,644	2,751,347	1.0	1.0
Other, except frozen	84,574	5,159,218	1.8	1.9
Delicatessen items	70,989	9,812,720	3.4	2.5
Soft drinks	93,693	7,739,925	2.7	37.1
Other foods	129,897	93,340,807	32.7	
Meals and snacks	42,771	2,589,807	0.9	0.6
Packaged alcoholic beverages	78,401	9,096,311	3.2	3.3
Tobacco products	110,130	13,007,993	4.6	3.4
Drugs, health aids, cosmetics	104,600	15,633,767	5.5	3.4
Pet foods	56,955	3,301,431	1.2	1.4
Soaps, detergents, cleaners	86,276	8,539,582	3.0	2.4
Paper products, towels, tissues	83,584	7,795,213	2.7	2.3
Kitchenware, homefurnishings	15,315	957,582	0.3	0.6
Other merchandise	137,584	7,422,509	2.6	4.3
Nonmerchandise receipts	26,006	657,812	0.2	0.1

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC-82-1-3)

COSMETICS, SKIN CARE PRODUCTS, FRAGRANCES (ML Code 165)

These products are part of the major merchandise line classification, Drugs, Health Aids, and Beauty Aids (ML 160). However, in 1987--and to a more limited extent in 1982--the Census Bureau reported sales of cosmetics (including face cream, make-up, perfumes, colognes, etc.) in major retail outlet types, as shown below. Not included are such outlets as variety stores and women's clothing stores; nor are sales in beauty salons/hairdressers, etc. (which are not classified in retail trade).

REPORTED SALES OF COSMETICS, SKIN CARE PRODUCTS, FRAGRANCES: 1987
(Sales in thousands of dollars)

	Establishments	Percent	Sales	Percent
Total reported	82,195	100.0%	$8,848,699	100.0%
Retail outlet types, with payroll				
Department stores	9,448	11.5	4,586,426	51.8
Conventional	2,312	2.8	3,199,715	36.2
National chain	1,732	2.1	488,364	5.5
Discount/mass merchandiser	5,404	6.6	898,347	10.1
Drug stores	34,253	41.7	2,653,483	30.0
Grocery stores (supermarkets)	34,620	42.1	1,272,310	14.4
Other food stores	1,887	2.3	28,143	0.3
Nonstore retailers				
Catalog/mail order houses	1,729	2.1	271,947	3.1
Direct selling establishments	258	0.3	36,390	0.4

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

APPAREL: MEN'S & BOYS' WEAR (ML Code 200)

Retailers reporting to the Census Bureau on 1987 sales of men's and boys' apparel, excluding footwear, included 117,094 outlets with payroll, with sales of this merchandise amounting to $41,646.9 million. This represented a gain of 41.4% over comparable sales -- totaling $29,461.0 million--reported by 104,078 outlets in the 1982 Census.

The classification includes apparel and accessories for men, young men and boys (not including infants' and toddlers', which are covered in children's wear data). Sales are in current dollars, not adjusted for inflation. (The Bureau of Labor Statistics reported a 9.1% rise in average consumer prices for men's and boys' wear in 1987 over the index base period 1982-84 average).

APPAREL: MEN'S & BOYS' WEAR (ML Code 200)

MENS' AND BOYS' WEAR SALES SHARES BY RETAIL OUTLET TYPE: 1987, 1982

	Establishment*		Sales			
			Thous. $		% of Total	
	1987	1982	1987	1982	1987	1982
Men's & boys' wear, except footwear, total	117,094	104,078	$41,646,947	$29,461,020	100.0%	100.0%
General merchandise stores**	29,314	29,314	20,945,275	14,175,991	50.3	48.1
Department stores**	10,003	9,947	19,134,154	12,812,001	45.9	43.5
Conventional	2,413	nr	8,590,710	nr	20.6	--
National chain	1,182	nr	4,923,686	nr	11.8	--
Discount/mass merchandising	5,778	nr	5,619,858	nr	13.5	--
Apparel & accessory stores, total	52,560	48,335	17,859,983	13,534,908	42.9	45.9
Men's/boys' clothing stores	16,507	17,480	8,154,719	7,052,586	19.6	23.9
Women's wear stores***	4,233	3,990	472,056	459,404	1.1	1.6
Family clothing stores	18,443	17,859	7,676,997	5,253,303	18.4	17.8
Shoe stores	3,249	1,656	226,801	84,524	0.5	0.3
Other apparel/accessory stores	10,128	7,350	1,329,410	685,092	3.3	2.3
Children's wear stores	4,377	3,446	601,976	330,063	1.4	1.1
Sporting good stores	8,983	na	737,422	543,697	1.8	1.8
Nonstore retailers	3,536	3,625	1,420,906	772,784	3.4	2.6
Catalog/mail order houses	3,155	3,323	1,349,725	734,511	3.2	2.5
Direct selling establishments	371	288	70,622	36,959	0.2	0.1
All other retailers	22,701	na	683,542	433,640	1.6	1.5

na a revised 1982 figure for sporting goods store is not available.

nr not reported

* Covers outlets with payroll selling men's and/or boys' wear. Each store location is separately counted.

** For store definitions see the INTRODUCTION. Note that leased departments are not included in department store figures, but are counted as separate outlets in the business they are in. The General Merchandise Store total includes 9,187 variety stores with men's and boys' wear sales amounting to $378.5 million in 1987 (0.9% of the total). Also 10,124 miscellaneous general merchandise stores, with men's/boys' wear sales amounting to $1,432.5 million (3.4%), which in 1987 included department store-type outlets with only 25-49 employees classified as department stores in 1982. This affects 1987 vs. 1982 comparability in department store data.

***Includes women's clothing stores and women's accessory and specialty stores.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC82-1-3)

Key outlets reported separate sales totals for men's wear and for boys' wear, for a combined total of $35,983.9 million (86% of the reported total of $41,646.9 million in sales in all covered outlets with payroll in 1987). Men's wear represented 83.2% of the separately reported total; boys'/young men's wear, 16.8%.

APPAREL: MEN'S AND BOYS' WEAR (ML Code 200)

SALES OF MEN'S WEAR AND OF BOYS'/YOUNG MEN'S WEAR SEPARATELY REPORTED FOR KEY RETAIL OUTLET TYPES: 1987

	Establishments		Reported Sales	
	Number	Percent	Thous. $	Percent
Reported sales of men's wear*	48,370	100.0%	$29,948,493	100.0%
Department stores	10,003	20.7	14,946,204	49.9
Conventional	2,413	5.0	6,787,419	22.7
National chains	1,182	2.4	3,821,974	12.8
Discount/mass merchandising	5,778	12.0	4,336,811	14.5
Family clothing stores	18,443	38.1	6,654,582	22.2
Men's & boys' clothing stores	16,507	34.1	7,997,797	26.7
Women's clothing stores	3,417	7.1	349,910	1.2
Reported sales of boys'/young men's wear**	28,886	100.0	6,035,428	100.0
Department stores	9,608	33.2	4,188,050	69.4
Conventional	2,354	8.1	1,803,291	29.9
National chains	1,799	6.2	1,101,712	18.2
Discount/mass merchandising	5,455	18.9	1,283,047	21.3
Family clothing stores	10,971	38.0	1,022,415	16.9
Men's & boys' clothing stores	2,788	9.7	156,922	2.6
Women's clothing stores	1,168	4.0	79,395	1.3
Children's wear stores	4,351	15.1	588,646	9.8

* Includes clothing, furnishings, accessories. Footwear is not included.

** Boys' (sizes 2 to 16), young men's (sizes 13 to 20), students' (sizes 32 to 44). Footwear is not included.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Sales of Specific Types of Men's Wear

In compiling the census of retail trade in 1987, information was obtained on sales of men's wear product classifications in three outlet types: department stores, men's clothing stores and family clothing stores--the outlet types accounting for 98.8% of sales of men's wear noted in the table on Key Outlets. The percent of specific types of men's wear accounted for by these three outlets is shown below. (Similar information was not reported for boys'/young men's wear).

APPAREL: MEN'S AND BOYS' WEAR (ML Code 20C)

PERCENT OF SPECIFIED MEN'S WEAR SALES ACCOUNTED FOR BY THREE MAJOR OUTLET TYPES: 1987
(Sales in millions of dollars)

	Total, These Outlets		% of Sales in Each Outlet Type			
	Stores	Sales	Total	Dept. Stores	Men's Clthg. Stores	Family Clthg. Stores
Men's wear, reported total	44,953	$29,598.6	100.0%	50.5%	27.0%	22.5%
Overcoats, topcoats, raincoats, outerwear	33,931	2,273.5	100.0	37.4	28.3	34.3
Sport coats, blazers	24,148	1,924.3	100.0	38.0	43.5	18.5
Suits, formal wear	19,018	2,704.1	100.0	22.4	63.5	14.1
Tailored and dress slacks	29,040	1,943.7	100.0	46.6	38.2	15.2
Casual slacks, jeans, shorts	38,837	5,400.1	100.0	47.1	17.8	35.1
Career & work uniforms	7,595	486.4	100.0	34.8	47.7	17.5
Dress shirts	32,529	2,292.9	100.0	56.9	26.3	16.8
Sport shirts (knit, woven)	36,315	4,275.3	100.0	59.0	20.8	20.2
Sweaters	32,385	1,621.1	100.0	50.4	28.7	20.9
Hosiery, pajamas, underwear	27,119	2,269.4	100.0	79.5	7.4	13.1
Active sportswear*	26,901	2,289.5	100.0	62.0	10.2	27.8
Accessories**	33,919	2,027.7	100.0	60.9	22.8	16.3
Miscellaneous men's wear	--	90.1	100.0	39.3	47.8#	12.9#

* Includes apparel for tennis, golf, jogging, swimming, etc. Sales of men's active sportswear in 4,533 general line sporting goods stores amounted to $398,027 thousand; in 3,555 specialty line sporting goods stores, $185,382 thousand. (See SPORTING GOODS AND RELATED PRODUCTS Section pages 25-26).

** Includes hats, gloves, neckwear, handkerchiefs, belts, wallets, rain accessories, etc. Jewely and watches are not included.

# Covers men's custom-made clothing.

Source: Based on U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

Department Stores

Department stores accounted for 49.9% of reported sales of men's wear; 69.4% of boys' wear sales in key outlets for which information was published (see page 8). This business was distributed by type of department store operation as follows:

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION: 1987

	Total	Conventional	National Chain	Discount/Mass Merchandising
Men's wear	100.0%	45.4%	25.6%	29.0%
Boys'/young men's wear	100.0	43.1	26.3	30.6

APPAREL: MEN'S AND BOYS' WEAR (ML Code 200)

Department Stores (continued)

In 1987, men's wear accounted for 14.8% of total conventional department store sales; 10.8% of national chain department store sales; 6.9% of discount/mass merchandisers sales. Comparable sales shares held by boys'/young men's wear (for which sales by type of apparel are not available) were: 3.9%, 3.1%, and 2.1%, respectively.

Overall, men's and boys' wear accounted for 13.3% of total department store sales in 1987, up from 12.9% in 1982. Men's wear, alone, represented 10.4% compared with 9.7% in 1982. Boys'/young men's wear was 2.9% vs. 3.2%. Dollar volume in men's and boys' wear, in current dollars, gained 49.3% in 1987 compared with 1982.

Sales of specific types of men's wear in department stores, by type of operation, were as follows in 1987. (Comparable information was not published in the 1982 Census of Retail Trade).

SALES OF SPECIFIED TYPES OF MEN'S WEAR IN DEPARTMENT STORES
BY KIND OF OPERATION: 1987
(Sales in millions of dollars)

	Total		Kind of Operation*					
							Discount	
			Conventional		National Chain		Mass Merchan.	
	Stores	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Total, all mdse./receipts	10,041	$144,017.0	2,425	$46,017.8	1,818	$35,445.3	5,798	$62,553.8
Reported men's wear mdse.	10,003	14,946.6	2,413	6,787.4	1,812	3,822.0	5,778	4,336.8
Overcoats, topcoats, raincoats, outerwear	8,831	849.5	1,958	470.0	1,794	205.6	5,079	173.9
Sport coats, blazers	4,570	731.6	1,902	436.2	1,769	230.0	899	65.4
Suits, formal wear	3,246	604.9	1,537	412.4	1,709	192.5	nr	nr
Tailored and dress slacks	8,213	906.2	1,983	409.3	1,797	342.4	4,433	154.5
Casual slacks, jeans, shorts	9,651	2,545.8	2,120	924.5	1,796	600.6	5,735	1,020.7
Career & work uniforms	2,445	169.3	226	35.3	1,073	97.9	1,146	36.1
Dress shirts	8,962	1,304.2	2,318	770.1	1,793	247.9	4,851	286.2
Sport shirts (knit, woven)	9,131	2,522.5	2,240	1,097.3	1,794	569.8	5,097	855.4
Sweaters	8,396	817.5	1,929	457.7	1,795	160.1	4,672	199.7
Hosiery, pajamas, underwear	9,449	1,804.2	2,089	564.5	1,797	476.4	5,563	763.3
Active sportswear*	9,286	1,420.4	2,094	569.6	1,811	420.3	5,381	430.5
Accessories**	8,883	1,234.5	1,919	635.4	1,796	278.4	5,168	320.7
Miscellaneous men's wear	--	35.4	--	5.0	--	0.2	--	30.2
Boys'/young men's wear	9,608	4,188.0	2,354	1,803.3	1,799	1,101.7	5,455	1,283.0

nr not reported
* For definition of operations, see INTRODUCTION

Source: Based on U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

APPAREL: MEN'S AND BOYS' WEAR (ML Code 200)

Men's and Boys' Clothing Stores

This store classification accounted for 19.6% of men's and boys' wear sales in retail outlets with payroll in 1987 compared with 23.9% in 1982. Included in the figures are sales of leased men's or boys' wear departments operated in department stores. Measured in current dollars, 1987 sales were up 15.6%, rising from $7.0 billion in 1982 to $8.1 billion in 1987. Men's and boys' clothing stores accounted for 26.7% of the total sales of men's wear ($29.9 billion) reported by key outlets in 1987 (see page 8).

SALES OF SPECIFIED TYPES OF MEN'S WEAR IN MEN'S AND BOYS' CLOTHING STORES: 1987
(Sales in thousands of dollars)

			% of total sales of	
	Stores*	Sales	Stores Selling Line*	All Stores
Total, all sales receipts, total	16,507	$8,868,812	--	100.0%
Men's/boys' wear, except footwear, total	16,507	8,154,719	91.9	91.9
Boys'/young men's wear**	2,788	156,922	10.3	1.8
Men's wear	16,507	7,997,797	--	90.1
Overcoats, topcoats, raincoats, outerjackets	13,129	642,435	8.7	7.2
Suits and formal wear	10,088	1,718,495	26.9	19.4
Sport coats and blazers	11,267	837,202	12.2	9.4
Tailored, dress slacks,	11,462	742,799	10.8	8.4
Casual slacks, jeans, shorts	13,301	961,132	14.1	10.8
Career/work uniforms	1,894	231,770	22.4	2.6
Dress shirts	12,025	603,284	8.6	6.8
Sport shirts	13,478	887,943	12.0	10.0
Sweaters	12,394	465,345	6.6	5.2
Hosiery, pajamas, underwear	8,049	168,536	3.4	1.9
Active sportswear	7,499	233,266	5.4	2.6
Accessories	13,133	462,504	6.5	5.2
Men's custom-made garments	957	43,086	4.3	0.5

* Retail establishments with payroll selling specified merchandise. Each store location is separately counted.

**Data by type of apparel was not reported.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

APPAREL: MEN'S AND BOYS' WEAR (ML Code 200)

Family Clothing Stores

This store classification, which includes stores selling apparel for men, women and children, without specializing in any one line, accounted for 18.4% of sales of men's and boys' wear through retail outlets of all types with payroll in 1987. Sales amounted to $7,677 million in 18,443 stores, representing a gain of 46.1% over 1982 sales amounting to $5,253.3 million, reported by 17,858 stores. (Sales figures are current dollars.)

Sales by type of merchandise in 1987 were reported as follows:

SALES OF SPECIFIED TYPES OF MEN'S WEAR IN FAMILY CLOTHING STORES: 1987
(Sales in thousands of dollars)

			% of total sales of	
	Stores*	Sales	Stores Selling Line*	All Stores
Total, all sales/receipts	18,443	$21,117,145	--	100.0%
Men's/boys' wear, except footwear	18,443	7,676,997	36.4%	36.4
Boys'/young men's wear**	10,971	1,022,415	6.0	4.8
Men's wear, total	18,443	6,654,582	--	31.6
Overcoats, topcoats, raincoats, outerwear	11,971	781,605	5.0	3.7
Suits and formal wear	5,684	380,698	4.7	1.8
Sport coats and blazers,	8,311	355,528	3.0	1.7
Tailored, dress slacks	9,365	294,659	2.8	1.4
Casual slacks, jeans, shorts	15,885	1,893,235	11.2	9.0
Career/work uniforms	3,256	85,348	1.6	0.4
Dress shirts	10,542	385,374	2.8	1.8
Sport shirts	13,706	864,907	5.6	4.1
Sweaters	11,595	338,351	2.7	1.6
Hosiery, pajamas, underwear	9,621	296,747	2.5	1.4
Active sportswear	10,116	635,816	4.5	3.0
Accessories	11,903	330,735	2.6	1.6
Custom-made garments	387	11,579	2.7	0.7

* Retail establishments with payroll selling specified merchandise. Each store location is separately counted.
**Data by type of apparel was not reported.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S1-3)

APPAREL: WOMEN'S & CHILDREN'S WEAR (ML Code 220)

Retailers represented in the Census Bureau reports on 1987 sales of women's, girls' and children's wear, not including footwear, registered a total of $85,616.5 million in sales through 174,747 outlets with payroll. In current dollars, this represented a gain of 48.8% over the $57,552.9 million in sales reported for 1982, accounted for by 145,965 outlets. (The Bureau of Labor Statistics reported an overall average rise of 10.4% in consumer prices for women's and girls' apparel, and a 12.2% rise in prices of infants'/toddlers' apparel in 1987 compared with the base period 1982-84 average).

APPAREL: WOMEN'S & CHILDREN'S WEAR (ML Code 220)

The women's/girls'/children's wear classification, as defined by the Census Bureau, includes all types of apparel and accessories (not including jewelry and watches).

WOMEN'S AND CHILDREN'S WEAR: SALES SHARE BY RETAIL OUTLET TYPE: 1987 AND 1982

Store Types	Establishments*		Sales			
			Thous. $		% of Sales	
	1987	1982	1987	1982	1987	1982
Women's, girls'/children's wear, except footwear, total	174,747	145,965	$85,616,518	$57,552,885	100.0	100.0
General merchandise group stores**	30,351	29,872	39,678,782	25,915,732	46.3	45.0
Department stores**	10,016	9,954	36,427,321	23,511,295	42.5	40.9
Conventional stores	2,417	nr	18,394,872	nr	21.5	--
National chains	1,810	nr	6,920,752	nr	8.1	--
Discount/mass merchandising	5,789	nr	11,111,697	nr	13.0	--
Variety stores	9,685	10,091	983,129	1,189,429	1.1	2.1
Miscellaneous general mdse. stores	10,650	9,827	2,268,332	1,215,008	2.6	2.1
Apparel & accessory stores	102,364	86,507	40,481,075	28,987,857	47.3	50.4
Women's clothing stores	52,304	50,961	24,350,211	20,622,529	28.4	33.0
Women's & accessory & specialty stores	7,490	6,798	2,367,243	1,637,842	2.8	2.8
Family clothing stores	18,443	17,859	10,372,406	6,404,121	12.1	11.1
Men's/boys' clothing stores	2,849	3,058	350,799	278,327	0.4	0.5
Shoe stores	6,887	4,016	217,238	129,071	0.3	0.2
Other apparel/accessory stores	14,391	10,613	2,823,178	1,553,809	3.3	2.7
Children's & infants' wear stores	6,019	5,312	1,438,880	974,406	1.7	1.7
Sporting good stores	7,729	na	443,752	393,452	0.5	0.7
Nonstore retailers	3,419	3,817	3,661,625	1,544,476	4.3	2.7
Catalog and mail-order houses	3,127	3,459	3,589,847	1,491,604	4.2	2.6
Direct selling establishments	288	336	71,467	50,402	0.1	0.1
Other retail outlets	30,884	17,356	1,351,284	711,368	1.6	1.2

nr not reported   na revised figures not available

* Covers outlets with payroll selling women's and/or children's wear.

**For store definitions see the INTRODUCTION. Note that leased departments are not included in department store figures, but are counted as separate outlets in the business they are in. In 1987, stores meeting the department store definition but with 25 to 49 employees were counted as Miscellaneous General Merchandise Stores; in 1982, these were counted as Department Stores. This affects 1987 vs. 1982 comparability in department store data.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC82-1-3)

Key outlets reported separate sales totals for women's wear and for children's wear. These outlets accounted for $75,306.8 million in sales, or 88% of the combined women's and children's wear sales total reported for all outlets with payroll in the 1987 census of retail trade ($85,616.5 million).

APPAREL: WOMEN'S & CHILDREN'S WEAR (ML Code 220)

SALES OF WOMEN'S WEAR AND OF CHILDREN'S WEAR SEPARATELY REPORTED FOR KEY RETAIL OUTLET TYPES: 1987

	Establishments		Reported Sales	
	Number	%	Thous. $	%
Reported sales of--				
Women's clothing/accessories	93,102	100.0%	$66,024,146	100.0%
Department stores	10,016	10.8	29,981,555	45.4
Conventional	2,417	2.6	16,206,148	24.5
National chain	1,810	2.0	5,326,104	8.1
Discount/mass merchandising	5,789	6.2	8,449,303	12.8
Women's clothing stores	52,304	56.2	24,123,689	36.5
Women's accessory & spec. stores	7,490	8.0	2,367,243	3.7
Family clothing stores	18,443	19.8	9,122,215	13.8
Children's wear stores	2,000(e)	2.1	78,645	0.1
Men's clothing stores	2,849	3.1	350,799	0.5
Infants', toddlers', girls', subteens' clothing and access.*	30,902	100.0	9,282,704	100.0
Department stores	9,644	31.2	6,445,766	69.4
Conventional	2,361	7.6	2,188,724	23.5
National chain	1,797	5.8	1,594,648	17.2
Discount/mass merchandising	5,486	17.8	2,662,394	28.7
Children's /infants' wear stores	5,995	19.4	1,360,235	14.7
Family clothing stores	10,483	33.9	1,250,191	13.5
Women's clothing stores	4,780	15.5	226,522	2.4

* Includes infants' and toddlers' wear and footwear, girls' wear (sizes 9-14), subteens wear (sizes 6-16).

(e) estimated

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Sales of Specific Types of Women's Wear

Sales of types of women's wear were reported for three major outlet types, as noted below. Comparable information was not published for children's wear. Sales in these stores ($63,227.5 million) represented 96% of the reported $66,024.1 million in women's wear volume in key retail outlet types covered in the above table.

Sales of Specific Types of Women's Wear (continued)

PERCENT OF SPECIFIED WOMEN'S WEAR SALES ACCOUNTED FOR BY THREE MAJOR OUTLET TYPES: 1987
(Sales in millions of dollars)

	Total, These Outlets		% of Sales in Each Outlet Type			
	Stores	Sales	Total	Dept. Stores	Womens Clthg. Stores	Family Clthg. Stores
Women's wear, total	80,763	$63,227.5	100.0	47.4%	38.2%	14.4%
Furs, fur garments	4,922	335.4	100.0	55.8	37.1	7.1
Dresses	68,672	9,449.9	100.0	36.3	51.4	12.3
Coats, jackets, rainwear	57,961	3,844.3	100.0	35.1	46.0	18.9
Suits, sport jackets, blazers	45,123	3,927.5	100.0	41.4	43.3	15.3
Bottoms*	65,794	12,120.7	100.0	44.8	40.3	14.9
Tops**	70,271	15,664.9	100.0	41.2	45.4	13.4
Active sportswear***	43,346	3,933.1	100.0	55.0	24.7	20.3
Hosiery, socks, tights	40,445	2,595.0	100.0	71.6	14.3	14.1
Bras, girdles, etc.	27,041	2,081.4	100.0	79.9	8.7	11.4
Lingerie, sleepwear, loungewear	39,207	3,563.6	100.0	70.0	15.4	14.6
Hats, wigs, hairpieces	11,084	284.3	100.0	81.6	13.6	4.8
Women's accessories#	60,483	4,785.0	100.0	56.4	29.5	14.1
Other women's wear (uniforms, smocks, other apparel not elsewhere classified)	10,376	642.5	100.0	61.6	24.0	14.5

* Includes shirts (knit and woven), blouses, and sweaters.

** Includes slacks, jeans, shorts, and skirts.

***Includes apparel for tennis, golf, jogging, swimming, etc. In 1987, 4,157 general line sporting goods reported sales of women's active sportswear at $238,906 thousand; 3,077 specialty line sporting goods stores reported sales of women's active sportswear at $124,736 thousand. See SPORTING GOODS AND RELATED PRODUCTS section, pages 23-26.

Includes handbags, wallets, neckwear, gloves, belts, etc. Jewelry and watches are not included. Note: Not included in the above table are the 7,490 women's accessory and specialty stores which did $2,367.2 million in "women's/girls' wear sales" in 1987.

Source: U.S. Bureau of the Census,
1987 Census of Retail Trade (RC87-S-3)

Department Stores

As noted in the table on Key Outlets, (page 14), department stores accounted for 45.4% of reported sales of women's clothing and accessories; 69.4% of infants'/ children's/girls' wear. The distribution of department store business by type of operation was reported as follows:

Department Stores (continued)

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION

	Total	Conventional	Nat'l. Chain	Discount/ Mass Merchan.
Clothing & accessories:				
Women's	100.0%	54.%	17.8%	28.2%
Infants', chidlren's, girls'	100.0	34.0	24.7	41.3

The share of total sales in each operation accounted for by women's wear: conventional stores, 35.2%; national chains, 15.0%; discount mass merchandising, 13.5%. Comparable percents for children's/girls' wear: 4.8%, 4.5%, 4.3% respectively.

Overall, women's and children's wear (excluding footwear) accounted for 25.3% of total department store volume in 1987, up from 23.7% in 1982. Women's wear, alone, accounted for 20.8% of department stores' 1987 volume; girls'/children's wear, 4.5%. In 1982, women's wear represented 19.3% of department store sales; children's wear, 4.4%. Dollar volume in women's and children's wear (in current dollars) rose 48.8% in 1987 over 1982. Comparability, however, has been affected by the change in classifying stores with 25-49 employees. (See page 14).

Sales of women's wear by type was reported as follows for department stores in 1987. Breakdowns by merchandise type were not reported for girls'/children's wear.

SALES OF SPECIFIED TYPES OF WOMEN'S WEAR IN DEPARTMENT STORES BY KIND OF OPERATION: 1987
(Sales in millions of dollars)

	Total		Kind of Operation*					
			Conventional		National Chain		Discount/ Mass Merchan.	
	Stores	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Total store sales,								
all mdse./receipts	10,041	$144,017.0	2,425	$46,017.8	1,818	$35,445.3	5,798	$62,553.8
Reported women's/children' wear	10,016	36,427.3	2,417	18,394.9	1,810	6,920.7	5,789	11,111.7
Women's wear, total	10,016	29,981.6	2,417	16,206.2	1,810	5,326.1	5,789	8,449.3
Furs, fur garments	839	187.0	839	187.0	--	--	--	--
Dresses	9,742	3,429.3	2,398	2,168.4	1,794	717.8	5,550	543.1
Coats, jackets, rainwear	9,189	1,349.1	2,267	717.1	1,788	266.2	5,134	365.8
Suits, sport jackets, blazers	8,233	1,626.7	2,163	1,072.1	1,742	118.9	4,328	435.7
Bottoms	9,790	5,428.5	2,283	3,146.2	1,794	1,011.4	5,713	1,270.9
Tops	9,695	6,453.4	2,164	3,236.9	1,796	1,196.1	5,735	2,020.4
Active sportswear	9,774	2,164.4	2,310	1,243.9	1,808	240.0	5,656	680.5
Hosiery, socks, tights	9,843	1,856.5	2,323	626.8	1,791	230.3	5,729	999.4
Bras, girdles, etc.	9,674	1,663.5	2,284	731.0	1,793	456.3	5,597	476.2
Lingerie, sleepwear, loungewear	9,860	2,494.7	2,366	1,247.5	1,794	563.7	5,700	683.5
Hats, wigs, hairpieces	5,552	231.9	804	132.1	1,476	27.6	3,272	72.2
Women's accessories	9,850	2,701.3	2,381	1,567.9	1,776	406.1	5,693	727.3
Other women's wear	4,106	394.8	377	129.0	1,527	91.4	2,202	174.4
Infants', children's, girls' wear	9,644	6,445.8	2,361	2,188.7	1,797	1,594.6	5,486	2,662.4

* For definitions see the INTRODUCTION.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

APPAREL: WOMEN'S AND CHILDREN'S WEAR (ML Code 220)

Women's Clothing Stores

This store classification accounted for 28.4% of women's and girls' wear sales in outlets with payroll in 1987, down from 33.0% in 1982. Included in these figures are sales of leased departments operated in department stores. Measured in current dollars, women's/children's wear sales in women's clothing stores were up 18.1% in 1987 compared with 1982, rising to $24.3 billion from $20.6 billion. (Not included in this classification are the 7,490 women's accessory and specialty stores which had sales of women's/girls' wear totaling $2,367.2 million in 1987.)

Women's clothing stores accounted for 36.5% of the total sales of women's wear reported for key outlets ($66.0 billion) in 1987 (see page 14). Sales by type of merchandise were as follows:

SALES OF SPECIFIED TYPES OF WOMEN'S WEAR IN WOMEN'S CLOTHING STORES: 1987
(Sales in thousands of dollars)

			% of Total Sales of	
	Stores*	Sales	Stores Selling Line*	All Stores
Total, all sales/receipts	52,304	$25,867,595	--	100.0
Women's and girls' wear, except footwear, total	52,304	24,350,211	94.1	94.1
Women's wear	52,304	24,123,689	--	88.8
Furs, fur garments	2,986	124,620	4.3	0.5
Dresses	46,932	4,854,089	20.7	18.8
Coats, jackets, rainwear	32,712	1,770,144	8.9	6.8
Suits, jackets, blazers	29,107	1,701,854	10.8	6.6
Slacks, jeans, shorts, skirts	41,298	4,889,443	22.8	18.9
Tops (shirts, blouses, sweaters)	45,244	7,105,889	30.7	27.5
Women's active sportswear	23,025	971,832	7.2	3.8
Hosiery, socks, tights	21,230	372,314	2.9	1.4
Bras, girdles, corsets	10,878	181,135	2.9	0.7
Lingerie, sleepwear, loungewear	20,932	549,558	4.6	2.1
Hats, wigs, hairpieces	3,483	38,661	1.5	0.1
Accessories**	37,481	1,410,112	6.7	5.5
Women's custom-made garments	495	29,631	10.5	0.1
Other women's wear lines***	3,752	124,407	5.8	0.5
Infants', toddlers, girls', subteen clothing accessories	4,780	226,522	5.3	0.9

* Retail outlets with payroll selling specified merchandise. Each store location is separately counted.

** Jewelry and watches are not included, nor are sales of specified women's accessory stores.

*** Includes uniforms, smocks, aprons, and other merchandise lines not separately listed.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

APPAREL: WOMEN'S AND CHILDREN'S WEAR (ML Code 220)

Family Clothing Stores

This store classification, which covers stores selling apparel for men, women and children, without specializing in any one line, accounted for 12.1% of sales of women's and children's wear in retail outlets with payroll in 1987, up from 11.1% in 1982. Sales totaled $10,372.4 million in 18,443 stores in 1987, up 62% (in current dollars) over the 1982 total of $6,404.1 million sales in 17,859 stores.

Sales by type of merchandise in 1987 were reported as follows:

SALES OF SPECIFIED TYPES OF WOMEN'S WEAR IN FAMILY CLOTHING STORES: 1987
(Sales in thousands of dollars)

			% of Total Sales of	
	Stores	Sales	Stores Selling Line*	All Stores
Total, all sales/receipts	18,443	$21,117,145	--	100.0%
Women's and children's wear, except footwear, total	18,443	10,372,406	49.1%	49.1
Infants', toddlers', girls, subteen clothing, accessories	10,483	1,250,191	7.3	5.9
Women's wear, total	18,443	9,122,215	--	43.2
Furs, fur garments	1,097	23,773	2.3	0.1
Dresses	12,598	1,166,489	6.4	5.5
Dress coats, jackets, rainwear	11,060	725,153	4.6	3.4
Suits, sport jackets, blazers	7,783	598,899	5.5	2.8
Slacks, jeans, shorts, skirts	14,706	1,802,848	11.5	8.5
Tops (shirts, blouses, sweaters)	15,332	2,105,500	11.8	10.0
Active sportswear	10,547	796,935	5.4	3.8
Hosiery, socks, tights	9,372	366,169	2.6	1.7
Bras, girdles, corsets	6,489	236,795	2.5	1.1
Lingerie, sleepwear, loungewear	8,415	519,274	4.0	2.5
Hats, wigs, hairpieces	2,049	13,672	0.5	0.1
Women's accessories*	13,152	673,579	4.1	3.2
Other women's wear lines***	2,518	86,523	2.9	0.4
Miscellaneous merchandise	--	6,606	--	--

* Retail outlets with payroll selling specified merchandise. Each store location is separately counted.

** And ***: See footnotes on previous table.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

FOOTWEAR AND FOOTWEAR ACCESSORIES (ML Code 260)

Total retail sales of footwear (excluding infants' and toddlers, which are included in infants' wear sales) plus footwear accessories such as polish, laces, shoe trees, etc., reported for outlets with payroll in 1987 amounted to $22.7 billion. Retail outlets numbered 111,310 in 1987 down from 111,607 reported for 1982.

The 1987 sales total represented a gain of 33.6% over the $17.0 billion reported for 1982, on a current dollar basis, without adjustment for inflation. (The U.S. Bureau of Labor Statistics reported average consumer prices in 1987 compared with the 1982-1984 average for men's footwear rose 9.7%; boys'/girls', 5.6%; women's 1.0% -- for an overall increase of 5.1%.)

General merchandise stores increased their sales share in the five year period, while shoe stores particularly women's shoe stores, lost sales share.

FOOTWEAR/FOOTWEAR ACCESSORIES SALES SHARE BY RETAIL OUTLET TYPE
(not including infants; toddlers' footwear)

	Establishments*		(Mil. $)		% of Sales		% Change
	1987	1982	1987	1982	1987	1982	1987/82
Footwear/footwear accessories, total	111,310	111,607	$22,732.4	$17,016.8	100.0	100.0	33.6%
Shoe stores	39,488	36,277	13,874.7	10,958.4	61.0	64.4	26.6
Family shoe stores	25,082	23,298	9,354.4	7,090.8	41.1	41.7	31.9
Men's shoe stores	3,866	4,153	1,206.0	1,075.1	5.3	6.3	12.2
Women's shoe stores	9,272	7,832	3,019.6	2,576.8	13.3	15.1	17.2
Children's/juveniles' shoe stores	1,268	994	294.7	215.7	1.3	1.3	-5.1
General merchandise stores*	24,100	22,703	5,284.3	3,301.3	23.2	19.4	60.1
Department stores*	6,577	5,290	4,502.5	2,685.6	19.8	15.8	67.6
Conventional	1,975	nr	2,268.6	nr	10.0	--	--
National chain	1,791	nr	1,225.6	nr	4.4	--	--
Discount/mass merchandising	2,811	nr	1,008.3	nr	5.4	--	--
Variety stores	8,780	9,377	294.3	310.3	1.3	1.8	-5.2
Misc. General merchandise stores	8,743	8,036	487.4	305.4	2.1	1.8	59.6
Apparel/accessory specialty stores	22,598	21,166	1,901.7	1,586.8	8.4	9.3	19.8
Sporting goods stores	8,331	9,253	747.0	518.3	3.3	3.0	44.1
Catalog/mail order houses	2,907	3,201	616.4	312.3	2.7	1.8	97.9
Other retail stores	13,926	19,007	308.3	339.6	1.4	2.1	-9.2

* Covers retail outlets with payroll selling footwear and accessories. Each store location is separately counted

** Leased shoe departments operating in department stores are not included, but are counted as separate shoe stores. For description of types of stores see INTRODUCTION.

nr not reported.

Source: U.S. Bureau of the Census: Census of Retail Trade (RC87-S-3, RC82-1-3)

Out of $22,732.4 million in retail sales of footwear and footwear accessory items reported for outlets with payroll in 1987, details on types of footwear sold in leading outlet types was reported, with a sales value of $19,783.4 million, or 87% of the total including accessories. Available specific information is noted in the following summary table.

FOOTWEAR AND FOOTWEAR ACCESSORIES (ML Code 260)

Specified Merchandise Types

REPORTED SALES OF FOOTWEAR AND ACCESSORIES BY OUTLET TYPE: 1987
(Sales in thousands of dollars)

	Establishments	Sales	% of Lines Reported Total
Reported Total		$19,783,415	--
Men's and boys' footwear*			
Reporting store types:	44,155	4,447,015	100.0%
Shoe stores	27,714	3,120,207	70.2
Family shoe stores	22,715	1,975,055	44.4
Men's shoe stores	3,866	1,076,483	24.2
Women's shoe stores	1,518	66,686	1.5
Children's/juveniles' shoe stores	155	1,983	0.1
Department stores:			
Conventional and national chain	3,310	765,255	17.2
Discount/mass merchandising	nr	nr	--
Apparel specialty stores, total	13,131	561,553	12.6
Family clothing stores	8,160	339,795	7.6
Men's clothing stores	4,221	204,644	4.6
Women's clothing stores	599	15,101	0.3
Children's wear stores	151	2,013	0.1
Womens' and girls' footwear*			
Reporting store types:	50,827	8,958,974	100.0%
Shoe stores	32,729	6,181,182	69.0
Family shoe stores	22,692	3,406,030	38.0
Men's shoe stores	9,272	2,745,293	30.6
Women's shoe stores	276	7,910	0.1
Children's/juveniles' shoe stores	489	21,949	0.2
Department stores:			
Conventional and national chain	3,739	1,899,649	21.2
Discount/mass merchandising	nr	nr	--
Apparel specialty stores, total	14,359	878,143	9.8
Family clothing stores	8,425	580,807	6.5
Women's clothing stores	4,946	268,594	3.0
Women's accessories/specialty stores	189	10,751	0.1
Men's clothing stores	665	15,708	0.2
Children's wear stores	134	2,283	**
Children's footwear*			
Reporting store types:	30,578	1,528,666	100.0%
Shoe stores	22,871	1,210,142	79.2
Family shoe stores	20,307	874,001	57.2
Children's/juveniles' shoe stores	1,268	251,589	16.5
Women's shoe stores	1,048	79,438	5.2
Men's shoe stores	248	5,114	0.3
Department stores:			
Conventional and national chain	2,840	246,231	16.1
Discount/mass merchandising	nr	nr	--
Apparel specialty stores, total			
Family clothing stores	4,440	64,660	4.2
Children's wear stores	427	7,633	0.5

(continued)

Specified Types (continued)

REPORTED SALES OF FOOTWEAR AND ACCESSORIES BY OUTLET TYPE: 1987
(Sales in thousands of dollars)
(continued)

	Establishments	Sales	% of Lines Reported Total
Athletic footwear			
Reporting store types:	39,184	$4,262,638	100.0%
Shoe stores	22,116	2,777,067	65.1
Family shoe stores	19,870	2,677,298	62.8
Men's shoe stores	1,212	59,289	1.4
Women's shoe stores	771	23,911	0.6
Children's/juveniles' shoe stores	263	16,569	0.4
Sporting goods stores	7,284	668,883	15.7
Department stores:			
Conventional and national chain	3,096	572,793	13.4
Discount/mass merchandising	nr	nr	--
Apparel specialty stores, total reporting	6,688	242,895	5.7
Family clothing stores	5,673	211,051	4.9
Men's clothing stores	932	29,494	0.7
Women's accessories/specialty stores	83	2,350	0.1
Footwear accessories (laces, polish shoe trees, etc.)			
Reporting store type:			
Shoe stores	30,000	586,122	100.0

nr not reported

* Includes dress and casual shoes, not athletic footwear which is separately reported by some major outlet types, as shown above. Children's footwear does not include infants', toddlers' footwear.

** Less than 0.1%

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RD87-S-3)

SPORTING GOODS AND RELATED PRODUCTS (ML Code 500)

Sporting goods, as classified by the U.S. Bureau of the Census in Census of Retail Trade reports, covers a wide range of merchandise and equipment sold by retail establishments with payroll. Sales include merchandise sold at retail or wholesale by these retailers, but not retail sales by establishments which are primarily in wholesale trade or manufacturing.

SPORTING GOODS AND RELATED PRODUCTS (ML Code 500)

ML Code 500 includes the following:

- Team sporting goods equipment sold to teams and institutions (schools, etc.)
- Team sporting goods equipment sold to individuals (equipment for baseball, soccer, football, basketball, etc.)
- Tennis, golf, skiing equipment
- Exercise/fitness equipment
- Firearms, hunting equipment and supplies
- Fishing tackle; camping, backpacking equipment and supplies
- Trophies and plaques
- Bicycles, parts and accessories
- New and used boats, motors, parts and accessories
- Other sporting goods (archery, billiards, bowling equipment, badminton sets, skin diving and scuba gear, ice skates, etc.)

Not included in ML Code 500 are active sportswear and athletic footwear.

Sporting goods sales in 1987 totaled $21,190.3 million, reported by 72,806 retail establishments (business locations) with payroll. Excluding boat dealer sales--a very specialized category--sporting goods sales by 67,632 retailers amounted to $14,996.1 million. This was about 42% higher (in current dollars not adjusted for inflation) than the total of $10,563.6 million in sales by 66,343 retailers reported in the 1982 Census.

Comparisons with findings in 1982 are affected by revisions in the 1987 Census of Retail Trade on store classifications and methodology, particularly affecting sales of general line sporting goods stores. The data for 1982 noted below are as originally reported; revisions in merchandise breakdowns have not been made by the Census Bureau.

SPORTING GOODS SALES BY TYPE OF RETAIL OUTLET: 1987
(Sales in thousands of dollars)

	Establishments*			% of Sales	
	Number	%	1987 Sales	1987	1982
Sporting goods, total	72,806	--	$21,190,334	--	--
Less: Boat dealer sales	5,174	--	6,194,205	--	--
Sporting goods, total	67,632	100.0	14,996,129	100.0	100.0
Leading outlet types:					
Sporting goods stores	21,601	31.9	7,552,619	50.4	53.2
General line stores	7,959	11.8	3,478,688	23.2	29.4
Specialty line stores	13,642	20.1	4,073,931	27.2	23.8
Department stores**	7,740	11.4	3,573,482	23.8	18.9
Conventional	390	0.5	70,942	0.5	nr
National chain	1,672	2.5	597,203	4.0	nr
Discount/mass merchandiser	5,678	8.4	2,905,337	19.3	nr
Miscellaneous general merchandise/variety stores	10,804	16.0	1,424,035	9.5	8.2
Catalog/mail order houses	2,977	4.4	818,537	5.5	4.4
Other retail outlets	24,510	36.3	1,627,456	10.8	15.3

(footnotes continued)

nr not reported

* Each store location is separately counted, covering those with payroll in operation anytime during the year. Stores are classified on the basis of major activity.

**Sales of catalog order desks in the stores are included. Not included are leased sporting goods departments, which are classified as sporting goods stores (specialty line). For store definitions, See INTRODUCTION.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3) and (RC82-1-3)

Activewear

In the 1987 Census of Retail Trade, some information was developed on sales of specialized merchandise lines within broad categories (reported on for all outlets) in major outlet types where reportability was not a problem. Included among the specialized lines is activewear, defined as apparel for tennis, golf, jogging, swimming, etc. The following information on sales is limited to reporting outlet types, and does not indicate the total market.

REPORTED SALES OF ACTIVEWEAR BY OUTLET TYPE: 1987
(Sales in thousands of dollars)

	Men's Activewear			Women's Activewear		
	No. of Stores*	Sales	%	No. of Stores*	Sales	%
Reported total	35,971	$2,894,437	100.0	51,495	$4,319,013	100.0
Department stores**	9,286	1,420,508	49.1	9,774	2,164,426	50.1
Conventional	2,094	569,630	19.7	2,310	1,243,904	28.8
National chain	1,811	420,347	14.5	1,808	240,052	5.5
Discount/mass merch.	5,381	430,531	14.9	5,656	680,470	15.8
Apparel specialty stores	18,597	890,520	30.8	34,487	1,790,945	41.5
Men's wear stores	7,499	233,266	8.0	696	17,196	0.4
Women's clothing stores	982	22,438	0.8	23,025	971,832	22.5
Family clothing stores	10,116	635,816	22.0	10,547	796,935	18.5
Children's wear stores	--	--	--	219	4,982	0.1
Sporting goods sotres	8,088	583,409	20.1	7,234	363,642	8.4
General line stores	4,533	398,027	13.7	4,157	238,906	5.5
Specialty line	3,555	185,382	6.4	3,077	124,736	2.9

* Each store location is separately counted, covering those with payroll in operation anytime during the year.

**Sales of catalog order desks in the stores are included. Not included are leased departments, which are classified as specialty stores. For store definitions, see INTRODUCTION.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

For reported information on Athletic Footwear sales by type of outlet, see the section on FOOTWEAR (pages 19-21).

SPORTING GOODS AND RELATED PRODUCTS (ML Code 500)

Sporting Goods Stores (SIC 5941)

In 1987, as noted in the table on page 22, sporting goods stores accounted for half of all sporting goods sales in retail outlets with payroll, with sales divided between general line sporting goods stores and specialty line sporting goods stores.

These operations are defined as follows by the Census Bureau:

General Line Sporting Goods Stores: Primarily sell a general line of sporting goods and equipment for hunting, camping, fishing, skiing, riding, tennis, golf and other sports; gymnasium and playground equipment sold at retail.

Specialty Line Sporting Goods Stores: Specialize in a maximum of four lines of sporting goods and equipment, such as guns, trophies, skiing, golfing, bowling. Bicycle shops are included. Stores primarily selling athletic footwear at retail are classified in Shoe Stores (SIC 566).

A leased sporting goods department, operating in a department store or other type store, is classified as a sporting goods store.

SPORTING GOODS STORE SALES BY BROAD MERCHANDISE LINES: 1987
(Sales in millions of dollars)

	Stores		Sales	
	Number*	%	Number*	%
Sporting goods stores, total	21,601	100.0	$10,077.3	100.0%
Sporting goods, total	21,601	100.0	7,552.6	75.0
Team equipment sales to:				
Institutions	4,808	22.2	392.1	3.9
Individuals	5,680	26.1	407.0	4.0
Tennis equipment	5,066	23.4	225.0	2.2
Golf equipment	6,157	28.5	881.0	8.7
Snow/skiing equipment	5,370	24.9	831.2	8.2
Exercise/fitness equipment	5,402	25.0	499.1	5.0
Firearms/hunting equipment	7,023	32.5	1,037.3	10.3
Fishing tackle	7,277	33.7	661.1	6.6
Campingbackpacking equipment	5,558	25.7	517.5	5.1
Trophies, plaques	1,735	8.0	36.9	0.4
Bicycles, parts, accessories	4,978	23.0	942.9	9.4
Other sporting goods**	9,671	44.8	1,121.5	11.1
Activewear, total	15,322	70.9	947.0	9.4
Men's	8,088	37.4	583.4	5.8
Women's	7,234	33.5	363.6	3.6
Athletic footwear (men's, boys', women's, girls')	7,284	33.7	669.8	6.6
Other sales and receipts	--	--	907.9	9.0

(See footnotes on following table)

Sporting Goods Stores (continued)

SPORTING GOODS STORE SALES BY TYPE OF OPERATION: 1987
(Sales in millions of dollars)

	General Line Stores		Specialty Line Sales	
	Number*	Sales	Number*	Sales
Total store	7,959	$ 5,077.1	13,642	$ 5,000.3
Sporting goods, total	7,959	3,748.7	13,642	4,073.9
Team equipment sales to:				
Institutions	4,093	367.4	715	24.7
Individuals	5,031	356.0	649	51.0
Tennis equipment	4,221	154.1	845	70.9
Golf equipment	3,469	168.3	2,688	712.7
Snow/skiing equipment	3,334	319.4	2,036	511.8
Exercise/fitness equipment	3,969	377.1	1,433	122.0
Firearms/hunting equipment	4,238	371.2	2,785	666.1
Fishing tackle	4,406	261.4	2,871	399.7
Campingbackpacking equipment	4,046	379.5	1,512	138.0
Trophies, plaques	1,445	32.6	290	4.3
Bicycles, parts, accessories	1,160	53.6	3,818	889.3
Other sporting goods**	6,183	638.2	3,488	483.3
Activewear, total	8,088	636.1	7,234	310.1
Men's	4,533	398.0	3,555	185.4
Women's	4,157	238.9	3,077	124.7
Athletic footwear (men's, boys', women's, girls')	4,836	587.6	2,448	82.2
Other sales and receipts	--	373.8	--	534.1

* Covers stores with payroll in business anytime during the year, as well as leased sporting goods departaments operating in other store types. Bicycle shops are included in specialty line sporting goods stores.

** Includes archery, billiards, bowling equipment, badminton sets, skin diving/scuba/snorkeling gear, ice skates, etc. New and used boats and equipment are not included in the above table.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

SPORTING GOODS AND RELATED PRODUCTS (ML Code 500)

Department Stores

A total of 7,740 department stores reported sales of sporting goods amounting to $3,573,482 thousand in 1987. This was 79.2% over the 1982 total of $1,994,501 thousand (in current dollars), reported by 5,909 department stores.

Sales of sporting goods by type of operation were reported as follows in 1987 (not reported in 1982):

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATIONS: 1987

	Total	Conventional	Nat'l. Chain	Discount/Mass Merchandising
Sporting goods, total	100.0	2.0%	16.7%	81.3%
Bicycles, parts, accessories	100.0	4.2	16.8	79.0
Other sporting goods	100.0	1.3	16.7	82.0
Activewear	100.0	50.6	18.4	31.0
Men's	100.0	40.1	29.6	30.3
Women's	100.0	57.5	11.1	31.4

In 1987, sporting goods accounted for an overall 2.5% of all department store sales. However, in discount mass merchandising department stores, the sales share was 4.6%; in conventional department stores, sporting goods represented only 0.2% of sales; in national chain department stores, 1.7%.

The share of total department store sales by type of operation accounted for by active sportswear in 1987 was: discount/mass merchandising--men's: 0.7%, women's: 1.2%; conventional -- men's: 1.2%, women's: 2.7%; national chain--men's: 1.2%, women's: 0.7%.

SALES OF SPORTING GOODS AND RELATED PRODUCTS IN DEPARTMENT STORES
BY KIND OF OPERATION: 1987
(Sales in millions of dollars)

	Total		Kind of Operation					
			Conventional		Nat'.l Chain		Mass Merchandising	
	Stores*	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Total store sales, all merchandise/receipts	10,041	$144,017.0	2,425	$46,017.8	1,818	$35,445.3	5,798	$62,553.8
Sporting goods, total	7,740	3,573.4	390	70.9	1,672	597.2	5,678	2,905.3
Bicycles, parts, accessories	6,225	804.7	110	34.0	1,134	134.9	4,981	635.8
Other sporting goods	7,679	2,768.7	338	36.9	1,671	462.3	5,670	2,269.5
Activewear, total	--	3,584.9	--	1,813.5	--	660.4	--	1,111.0
Men's	9,286	1,420.4	2,094	569.6	1,811	420.3	5,381	430.5
Women's	9,774	2,164.4	2,310	1,243.9	1,808	240.0	5,656	680.5
Athletic footwear	nr	nr	1,307	228.3	1,789	344.4	nr	nr

nr not reported

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

The homefurnishings and home equipment classifications are made up of a number of separate, distinct product components, identified by the Census Bureau in the Census of Retail Trade by eight major Merchandise Line Codes.

Sales by retail outlets with payroll of homefurnishings and equipment, not including home entertainment categories, amounted to $99,592.9 million in 1987. In current dollars, not adjusted for inflation, sales gained 50.3% over the comparable total reported in the 1982 Census of Retail Trade, $66,279.3 million.

Sales of home entertainment products including both video and audio equipment and supplies of all types, were reported at $30,324.3 million in 1987, gaining 67.3% over 1982 sales of $18,119.9 million. Rentals and other nonmerchandise receipts are not included in sales figures.

RETAIL SALES OF MAJOR CLASSIFICATIONS OF HOMEFURNISHINGS AND HOME EQUIPMENT: 1987 and 1982
(Sales in thousands of dollars)

ML		Establishments*		Sales		% Change 1987/82	
Code		1987	1982	1987	1982	Estabs.	Sales
	Total homefurnishings and home entertainment	--	--	$129,917,209	$84,399,192	--	53.9%
	Homefurnishings and equipment, total	--	--	99,592,925	66,279,299	--	50.3
280	Home textiles/window coverings	67,605	65,350	13,036,768	8,926,133	3.4%	46.0
300	Major appliances (kitchen, laundry other	65,537	61,383	17,570,604	11,336,558	6.8	55.0
310	Electric housewares (kitchen, personal care)	79,831	69,910	6,245,498	4,380,812	14.2	42.6
380	Tabletop and kitchenware/housewares	167,148	150,023	21,512,342	15,642,082	11.4	37.5
360	Floor coverings	58,699	56,540	11,384,730	6,907,682	3.8	64.8
340	Furniture, sleep equipment (mattresses, springs, etc.)	78,872	67,720	29,842,983	19,086,032	16.5	56.4
	Home entertainment products	--	--	30,324,284	18,119,883	--	67.4
320	Video equipment/supplies (TV's & video recorders, tapes)	66,042	58,735	13,379,884	6,841,209	12.4	95.6
330	Audio equipment/supplies (radios, stereos, musical instruments, accessories	85,909	74,084	16,944,400	11,278,674	16.0	50.2

* Covers retail outlets with payroll. Each store location is separately counted.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC82-1-3)

While information on the 41 broad major Merchandise Line Codes is included in Census reports for all retail outlets with payroll involved in their sales, data on product classifications within these groups are published only for limited retail outlet types supplying the required detail. Reportability is a major limiting factor in collecting this data, and the classifications are not uniform, but were adapted by the Census Bureau to meet retailer requirements.

HOMEFURNISHINGS AND HOME EQUIPMENT

Home Textiles/Window Coverings (ML Code 280)

Information on retail sales for this broad classification by type of retail outlet with payroll has been reported by the Census Bureau in some detail. Included in the classification are ready-made and custom-made curtains, draperies, blinds and other window coverings, and slip covers; domestics, (sheets, towels, blankets, table linens, etc.).

A summary covering major outlets in 1987 and 1982 follows:

HOME TEXTILES/WINDOW COVERING SALES SHARE BY RETAIL OUTLET TYPE:
1987 and 1982

	Establishments*		Sales				%
			Mil. $		% of Sales		Change
	1987	1982	1987	1982	1987	1982	1987/82
Home textiles/window coverings, total	67,605	65,350	$13,036.8	$8,926.1	100.0	100.0	46.0
Gen'l. merchan. stores	28,350	27,560	8,351.7	5,760.2	64.1	64.5	45.0
Department stores**	9,788	9,721	7,169.7	4,972.2	55.0	55.7	44.2
Conventional	2,369	nr	2,519.9	nr	19.3	--	--
National chain	1,805	nr	1,728.8	nr	13.3	--	--
Discount/mass merchan.	5,614	nr	2,921.0	nr	22.4	--	--
Variety stores	9,420	9,986	357.5	477.9	2.7	5.3	-25.2
Misc. gen'l. merchandise stores***	9,142	7,853	824.5	310.2	6.3	3.5	165.9
Furniture, homefurnishings stores, total#	17,146	18,537	2,960.0	1,870.1	22.7	21.0	58.3
Misc. homefurnishings stores##	5,447	3,524	1,668.3	813.0	12.8	9.1	105.2
Drapery/upholstery stores	3,856	4,063	896.4	723.1	6.9	8.1	24.0
Furniture stores	4,958	8,791	246.5	238.7	1.9	2.7	3.3
Floor covering stores	2,691	1,995	141.0	89.8	1.1	1.0	57.0
Paint, glass, wallpaper stores	4,263	1,141	145.1	47.9	1.1	0.5	202.9
Apparel/accessory stores	6,008	5,428	495.9	371.1	3.8	4.1	33.7
Nonstore retailers	3,697	4,231	851.4	676.6	6.6	7.6	25.8
Catalog/mail order houses	2,854	3,265	572.7	556.3	4.4	6.2	2.9
Direct selling estabs.	843	966	278.1	120.3	2.1	1.4	131.7
Other retail outlets	9,259	8,615	232.7	205.7	1.8	2.3	13.1

* Covers retail establishments with payroll. Each location is separately counted.

** Catalog order desks within the stores are included in above figures. For definitions of types of operation see INTRODUCTION.

***See INTRODUCTION for change in treatment of department stores with 25-49 employees, 1987/1982.

# Includes for 1987, 183 appliance stores with ML Code 280 sales totaling $7.5 million; miscellaneous homefurnishings stores with ML 280 sales at $208 thous.

## Stores specializing in miscellaneous homefurnishings, such as bed and table linens, and other textiles, except draperies; venetian blinds and window shades, and other homefurnishings not elsewhere classified.

Source: U.S. Bureau of the Census: Census of Retail Trade
(RC87-S-3 and RC82-1-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Home Textiles/Window Coverings (ML Code 280)

Details on sales of specific merchandise classifications included in Home Textiles/Window Coverings are reported for a limited group of retail outlet types with sales at $9.3 million, or 71% of total sales.

REPORTED SALES OF SPECIFIC MERCHANDISE CLASSIFICATIONS BY OUTLET TYPE: 1987

	Establishments	Sales (Thous. $)	%
CURTAINS/DRAPERIES			
Reporting outlets, total	19,557	$1,890,067	100.0%
Department stores	8,936	1,565,359	82.8
Conventional	1,872	355,210	18.8
National chain	1,794	501,865	26.6
Discount/mass merchandiser	5,270	708,284	37.5
Variety stores	6,502	85,119	4.5
Homefurnishings stores:			
Misc. homefurnishings stores*	2,352	173,943	9.2
Floor covering stores	1,767	65,646	3.5
SLIP COVERS			
Reporting outlets, total	2,795	213,885	100.0%
Department stores	1,114	164,063	76.7
Conventional	356	102,698	48.0
National chain	nr	nr	--
Discount/mass merchandiser	758	61,365	28.7
Homefurnishings stores:			
Misc. homefurnishings stores*	1,424	41,889	19.6
Floor covering stores	257	7,933	3.7
DOMESTICS (Sheets, towels, etc.)			
Reporting outlets, total	23,431	6,662,124	100.0%
Department stores**	9,729	5,201,461	78.0
Conventional	2,327	2,040,197	30.0
National chain	1,804	1,086,170	16.3
Discount/mass merchandiser	5,598	2,075,094	31.1
Variety stores	9,327	264,010	4.0
Homefurnishings stores:			
Misc. homefurnishings stores*	4,375	1,196,653	18.0
BLINDS/SHADES			
Reporting outlets, total	7,044	541,225	100.0%
Department stores**	--	--	--
National chain	971	140,287	25.9
Discount mass merchandiser	774	76,258	14.1
Variety stores	504	5,442	1.0
Homefurnishings stores:			
Floor covering stores	2,065	63,397	11.7
Misc. homefurnishings stores*	2,730	255,841	47.3

nr not reported

* See footnote on previous table (##)

** While reports on Conventional department stores included some details on sales by product class, data for blinds/shades was not included, indicating a relatively low level of sales.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Home Textiles/Window Coverings (ML Code 280)

Sales of home textiles/window coverings represented 5.0% of total department store sales in both 1987 and 1982. The distribution of reported sales of specific merchandise classifications by type of department store operation was as follows in 1987.

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION: 1987

	All Home Textiles/Window Coverings	Curtains/ Draperies	Slip Covers	Domestics	Window Coverings
Total sales (mil. $)	$7,169.8	$1,565.4	$164.1	$5,201.5	$216.6
Percent	100.0%	100.0%	100.0%	100.0%	100.0%
Conventional	35.2	22.7	62.6	39.2	nr
National chain	24.1	32.1	nr	20.9	64.8
Disc./mass merchandiser	40.7	45.2	37.4	39.9	35.2

nr not reported

Source: Based on U.S. Bureau of the Census: 1987 Census of Retail Trade

Major Household Appliances (ML Code 300)

As classified by the Census Bureau, this group includes refrigerators, ranges, microwave ovens, room air-conditioners, vacuum cleaners, sewing machines, and other major household appliances, parts and accessories. The 1987 Census covers sales by retail outlets with payroll. Not included are sales of major appliances by builders, landlords, or other outlets not primarily in retail trade. Sales in current dollars, not adjusted for inflation, rose 55% in 1987 over 1982.

MAJOR HOUSEHOLD APPLIANCE SALES SHARE BY RETAIL OUTLET TYPE: 1987 AND 1982

	Establishments*		Sales Mil. $		Sales % of Sales		% Change
	1987	1982	1987	1982	1987	1982	87/82
Major appliances, total	65,537	61,383	$17,570.6	$11,336.6	100.0	100.0	55.0
Homefurnishings stores:**	22,803	23,678	8,298.2	5,110.0	47.2	45.1	62.4
Hshld. appliance stores	10,921	10,239	5,558.9	3,625.2	31.6	32.0	53.3
Radio/TV/computer stores	3,866	2,735	1,711.1	635.6	9.7	5.6	169.2
Furniture stores	7,813	10,270	1,011.6	831.6	5.8	7.3	21.6
Gen'l. merchan. stores	10,788	9,433	6,450.7	3,980.8	36.7	35.1	62.0
Department stores***	5,806	6,286	5,308.8	3,586.0	30.2	31.6	48.0
Conventional	1,161	nr	330.1	nr	1.9	--	--
National chain	1,682	nr	4,021.1	nr	22.9	--	--
Discount/mass merchan.	2,963	nr	957.5	nr	5.4	--	--
Variety stores	550	698	17.0	16.9	0.1	0.1	0.6
Misc. gen'l. merchandise stores#	4,432	2,449	1,124.9	377.9	6.4	3.3	197.7
Nonstore retailers:							
Catalog/mail order houses	2,435	3,318	629.0	510.1	3.6	4.5	23.3
Direct selling estabs.	1,738	1,952	842.9	576.7	4.8	5.1	46.2
Other retail outlets	27,773	23,002	1,250.0	1,159.0	7.7	10.2	7.8

(footnotes continued)

Major Household Appliances (ML Code 300)

nr not reported
* Covers retail establishments with payroll, selling major appliances. Each location is separately counted.
** Includes store types not separately listed.
***Catalog order desks within the stores are included in above figures. For definitions of types of operation see INTRODUCTION.
# See INTRODUCTION for change in treatment of department stores with 25-49 employees, 1987/1982.

Source: U.S. Bureau of the Census: Census of Retail Trade (RC87-S-3, RC82-1-3)

Sales of three classifications within the major household appliance group are reported by the Census Bureau for key outlets summarized below for 1987.

SALES OF SPECIFIED CLASSIFICATIONS OF MAJOR APPLIANCES
REPORTED BY KEY OUTLET TYPES: 1987
(Sales in thousands of dollars)

	Kitchen Appliances		Laundry Appliances		Other*	
	Estabs.	Sales	Estabs.	Sales	Estabs.	Sales
Reported total	19,016	$5,913,609	--	$2,937,043	18,873	$3,028,741
Household appliance stores	8,608	3,178,445	7,822	1,457,370	8,867	923,124
Furniture stores	7,370	602,398	6,252	303,189	4,512	106,052
Department stores	3,038	2,132,768	--	--	5,494	1,999,565
Conventional	747	134,425	194	57,628	1,047	138,090
National chain	1,680	1,928,962	1,060	1,118,856	1,621	973,309
Discount mass merchandiser	611	69,381	*	*	2,826	888,166

* Included in "Other" which also includes vacuum cleaners, sewing machines, air conditioners and other major appliances not elsewhere classified.

Source: U.S. Bureau of the Census: 1987 Census of Retial Trade (RC87-S-3)

Household Appliance Stores (SIC 572)

The number of stores in this classification, which covers those outlets primarily engaged in the sale of major appliances or electric housewares, increased by only 650 from 1982 to 1987, to 11,192 compared with 10,542. Major appliances were sold in 10,921 household appliance stores in 1987, compared with 10,239 in 1982. Sales of these products, on a current dollar basis, rose 53.3%, reaching $5,558.9 million in 1987 compared with $3,625.2 million in 1982. In product classifications, kitchen appliance sales rose 57.4%; laundry appliance sales, 64.5%.

Sales of merchandise lines in household appliance stores were reported as follows in 1987:

HOMEFURNISHINGS AND HOME EQUIPMENT

Major Household Appliances (ML Code 300)

Appliance Stores

SALES OF SPECIFIED MERCHANDISE LINES IN HOUSEHOLD APPLIANCE STORES: 1987
(Sales in thousands of dollars)

			% of Total Sales	
	Stores*	Sales	Stores Selling Line*	All Stores
Household appliance stores	11,192	$8,331,768	--	100.0%
Major household appliances	10,921	5,558,939	67.5%	66.7%
Kitchen appliances	8,608	3,178,445	41.6	38.1
Laundry appliances	7,822	1,457,370	20.6	17.5
Other major household appliances	8,867	923,124	13.6	11.1
Small electric appliances	1,589	121,261	6.2	1.5
TV's, video recorders and tapes	5,626	1,294,035	21.0	15.5
Audio equipment, musical instruments, and supplies	3,044	210,263	4.9	2.5
Audio equipment and accessories	3,017	204,798	4.8	2.5
Miscellaneous merchandise	--	5,465	--	0.1
Computer hardware and software, calculating equipment and supplies	411	13,421	1.4	0.2
Kitchenware, tableware, closet/bath accessories, housewares	643	34,126	3.3	0.4
Other sales and receipts	--	1,099,723	--	13.2

* Retail stores with payroll selling specified merchandise. Each store location is separately counted.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

Department Stores

In 1987, 5,806 department stores of all types reported sales of major appliances, down from 6,286 reported in 1982. Sales of these products totaled $5,308.8 million in 1987, gaining 48% in current dollars, over the total of $3,586 million in 1982.

Sales of kitchen appliances in department stores rose 23.2% in the five-year period, from $1,731.5 million to $2,132.8 million. Comparable figures for laundry appliances are not available.

Major appliances represented 3.7% of total department store sales in 1987, 3.6% in 1982. In the 1987 census reports, information was reported for department stores by type of operation, as noted below. National chains dominate department store business, and major appliances accounted for 11.3% of their total 1987 sales.

HOMEFURNISHINGS AND HOME EQUIPMENT

Major Household Appliances (ML Code 300)

SALES OF MAJOR APPLIANCES IN DEPARTMENT STORES BY KIND OF OPERATION: 1987
(Sales in millions of dollars)

			Kind of Operation*					
	Total		Conventional		National Chains		Disc. Mass Mdsg.	
	Stores	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Total store sales, all mdse./receipts	10,041	$144,017.0	2,425	$46,017.8	1,818	$35,445.3	5,798	$62,553.8
Major appliances	5,806	5,308.8	1,161	330.1	1,682	4,021.1	2,963	957.5
Kitchen appliances	3,038	2,132.8	747	134.4	1,680	1,929.0	611	69.4
Laundry appliances	5,806	3,176.0	194	57.6	1,060	1,119.0	2,826	888.1
Other major appliances			1,047	138.1	1,621	973.3		

Distribution of Major Appliance Sales By Kind of Operation*

	Total	Conventional	Nat'l. Chain	Discount Mass Mdsg.
Major appliances	100.0%	6.2%	75.8%	18.0%
Kitchen appliances	100.0%	6.3	90.4	3.3
Other major appliances	100.0%	6.1	65.9	28.0

* For definitions of operations, see the INTRODUCTION.

Source: Based on U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

SALES OF MAJOR APPLIANCES AND OTHER SPECIFIED LINES IN DEPARTMENT STORES: 1987
(Sales in thousands of dollars)

			% of Total Sales Of	
	Stores*	Sales	Stores Selling Line	All Stores
Department stores, total	10,041	$144,016,976	--	100.0%
Major household appliances	5,806	5,308,806	5.8%	3.7
Small electric appliances	8,991	2,477,636	1.9	1.7
Audio equip., musical instruments, and supplies	8,288	2,269,952	1.9	1.6
Video equipment: TV's, recorders, tapes	6,168	3,617,654	3.7	2.5
Computer hardware and software, calculating equip. and supplies	5,702	844,560	1.0	0.6
Kitchenware, tableware, closet/ bath accessories, housewares	9,915	6,708,723	4.7	4.7

* Includes sales from catalog desks within the stores. Leased department sales are not included.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

HOME FURNISHINGS AND HOME EQUIPMENT

Electric Housewares (ML Code 310)

This classification includes small electric appliances of all types, including mixers, blenders, toasters, coffeemakers, frypans, etc., as well as personal care appliances (hair dryers, curling irons, shavers, and the like).

Spurred by changing lifestyles and interests, many new products have come on the market in recent years. The 1987 census of retail trade counted 79,831 retail outlets with payroll in the U.S. selling small appliances, with sales totaling $6,245.5 million. In current dollars, this represented a gain of 42.6% over 1982 sales totaling $4,280.8 million, reported for 69,910 retail outlets. No information on sales by type of electric housewares has been published by the Census Bureau.

ELECTRIC HOUSEWARES SALES SHARE BY RETAIL OUTLET TYPE: 1987 AND 1982

	Establishments*		Sales				%
			Mil. $		% of Sales		Change
	1987	1982	1987	1982	1987	1982	87/82
Electric housewares, total	79,831	69,910	$6,245.5	$4,380.8	100.0	100.0	42.6
Gen'l. merchandise stores	25,269	23,199	3,910.3	2,845.9	62.6	65.0	33.9
Dept. stores**	8,991	8,891	2,477.6	2,115.5	39.7	48.3	17.1
Conventional	1,752	nr	526.9	nr	8.4	--	--
National chain	1,689	nr	288.2	nr	4.6	--	--
Disc./mass merchandising	5,550	nr	1,662.5	nr	26.6	--	--
Variety stores	6,528	8,383	108.3	156.4	1.7	3.6	-30.7
Misc. general mdse. stores***	9,750	5,925	1,324.4	574.1	21.2	13.1	130.7
Homefurnishings stores#	12,248	3,383	922.3	210.9	14.8	4.8	337.3
Radio, TV, Electronics stores	8,214	##	705.5	##	11.3	--	--
Drug stores	17,199	15,071	473.3	568.2	7.6	13.0	-16.7
Nonstore retailers#	2,726	3,357	298.5	170.7	4.8	3.9	74.9
Catalog/mail order houses	2,430	3,098	260.5	153.6	4.2	3.5	69.6
Direct selling establs.	291	259	38.0	17.1	0.6	0.4	122.2
Other retail outlets	22,389	24,900	641.1	585.1	10.2	13.3	26.7

nr not reported
* Covers retail establishments with payroll, selling electric housewares. Each location is separately counted.
** Catalog order desks within the stores are included in above figures but not leased departments. For definitions of types of operation see INTRODUCTION.
***See INTRODUCTION for change in treatment of department stores with 25-49 employees, 1987/1982.
# Includes store types not separately listed.
## Comparable figures not available.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC82-1-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Electric Housewares (ML Code 310)

Department Stores

The share of total electric housewares sales held by department stores dropped from 48.3% in 1982 to 1987. Much of this decline, however, is due to the reclassification of stores with 25 to 49 employees, meeting the department store definition, to the miscellaneous general merchandise store classification. As noted above, these stores raised their share of sales from 13.1% to 21.2%.

In 1987, electric housewares accounted for 1.7% of total department store sales; 1.9% of the sales of the 8,991 department stores (out of the total 10,041) selling these products. Conventional department stores accounted for 21.3% of department store sales; national chains, 11.6%; discount/mass merchandising department stores, 67.1%. (See table on page 30).

In discount/mass merchandising stores, small electric appliances accounted for 2.7% of total store sales vs. 1.5% in conventional stores selling these products; 0.8% in national chain department stores.

Tabletop and Kitchenware/Housewares (ML Code 380)

This is a broad classification of merchandise reported for all types of retailers with payroll involved in sales in 1987, with some details reported by the Census Bureau on component product classifications in leading outlet types.

As defined by the Census Bureau, the major classification includes the following:

Tabletop: dinnerware, glassware, tableware (including flatware and holloware, giftwares).
Cookware and cooking accessories (strainers, sifters, grinders, cutlery, supplies).
Decorative accessories: lamps and shades, mirrors, pictures, clocks, magazine racks, spice racks, desk sets, etc.
Other kitchenware, tabletop, etc. not included in the above.

The overall patterns in sales by type of outlet were reported for 1987 and 1982 as follows:

HOMEFURNISHINGS AND HOME EQUIPMENT

Tabletop and Kitchenware/Housewares (ML Code 380)

TABLETOP AND KITCHENWARE/HOUSEWARES SALES SHARE BY RETAIL OUTLET TYPE: 1987 AND 1982

	Establishments*		Sales (Mil. $)		% of Sales		% Change
	1987	1982	1987	1982	1987	1982	87/82
Tabletop/Kitchenware/ Housewares, total	167,148	150,023	$21,512.3	$15,642.1	100.0	100.0	37.5
Gen'l. merchan. stores	32,451	30,553	9,622.6	7,108.0	44.7	45.4	35.4
Dept. stores**	9,915	9,759	6,708.7	5,378.6	31.2	34.4	24.7
Conventional	2,345	nr	2,344.6	nr	10.9	--	--
National chain	1,814	nr	676.0	nr	3.1	--	--
Discount mass merchandising	5,756	nr	3,688.2	nr	17.1	--	--
Variety stores	9,929	10,387	755.1	655.3	3.5	4.2	15.2
Misc. gen'l. merchan. stores***	12,607	10,407	2,158.9	1,074.1	10.0	6.9	101.0
Homefurnishings stores#	30,203	31,269	4,526.1	2,548.0	21.0	16.3	77.6
Specialized outlet types	12,686	7,767	3,551.9	1,762.7	16.5	11.3	101.5
Furniture stores	16,640	15,171	932.8	691.3	4.3	4.4	34.9
Drug stores	16,256	13,677	840.1	592.6	3.9	3.8	41.8
Gift, novelty, souvenir shops	20,536	13,472	1,930.5	1,308.4	9.0	8.4	47.5
Grocery stores	15,315	17,638	957.6	1,292.5	4.5	8.3	-25.9
Catalog and mail-order houses	3,275	3,507	1,440.7	735.3	6.7	4.7	95.8
Other retail outlets	49,112	39,907	2,194.7	2,057.3	10.2	13.1	5.1

nr not reported

* Covers retail establishments with payroll, selling tabletop/kitchenware/housewares lines. Each location is separately counted.

** Catalog order desks within the stores are included; leased departments are not. For definitions of types of operation see INTRODUCTION.

***See INTRODUCTION for change in treatment of department stores with 25-49 employees, 1987/1982.

# Includes appliance stores which are not separately listed.

Source: U.S. Bureau of the Census: Census of Retail Trade
(RC87-S-3, RC82-1-3)

Limited information on specific classifications within this broad group has been published for the following outlet types covering 1987 sales.

HOMEFURNISHINGS AND HOME EQUIPMENT

Tabletop and Kitchenware/Housewares (ML Code 380)

Department Stores

SALES OF SPECIFIED PRODUCT LINES BY TYPE OF OPERATION: 1987
(Sales in millions of dollars)

	Total		Conventional		Nat'l. Chain		Discount/ Mass Mdsg.	
	Stores	Sales	Stores	Sales	Stores	Sales	Stores	Sales
Tabletop, kitchenware, housewares, total	9,915	$6,708.7	2,345	$2,344.6	1,814	$676.0	5,756	$3,688.1
Tabletop, giftwares	9,066	1,808.5	2,249	1,193.6	1,695	72.9	5,122	542.0
Cookware, etc.	8,865	1,539.7	1,757	471.3	1,718	131.2	5,390	937.2
Decorative accessories	3,998	1,640.7	1,786	467.4	1,745	266.5	5,467	906.8
Other kitchenware, etc.	8,394	1,719.8	1,387	212.3	1,812	205.4	5,195	1,302.1

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION: 1987

	Total	Conventional	Nat'l. Chain	Discount Mass Mdsg.
Tabletop, kitchenware, housewares, total	100.0%	34.9%	10.1%	55.0%
Tabletop, giftwares	100.0	66.0	4.0	30.0
Cookware, etc.	100.0	30.6	8.5	60.9
Decorative accessories	100.0	28.5	16.2	55.3
Other kitchenware, etc.	100.0	12.3	12.0	75.7

Source: Based on U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Other Reporting Outlet Types

SALES OF TABLETOP AND KITCHENWARE/HOUSEWARES IN VARIETY STORES,
FURNITURE STORES, JEWELRY STORES
(Sales in millions of dollars)

			% of Total Sales Of	
	Stores	Sales	Stores Selling Line	All Stores
Variety stores				
Tabletop, kitchenware, housewares, total	9,929	$755.1	11.4%	11.2%
Tabletop, giftwares	5,677	160.4	4.0	2.4
Cookware, etc.	5,537	151.3	4.5	2.2
Decorative accessories	7,416	337.9	5.9	5.0
Other products	5,521	105.4	4.5	1.6
Furniture stores				
Tabletop, kitchenware, housewares, total	16,640	932.8	6.0	3.6
Decorative accessories	16,522	876.6	5.6	3.3
Other products	1,614	65.2	4.0	0.3
Jewelry stores				
Tabletop, kitchenware, housewares total	7,022	379.5	9.8%	3.2%
Tabletop, giftwares	5,298	173.1	5.5	1.4
Flatware and holloware	3,276	119.5	5.7	1.0
Other products	2,290	86.9	5.6	0.7

Source: Based U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Furniture and Sleep Equipment (ML Code 340)

Sales of furniture and sleep equipment (including mattresses, springs, and dual purpose equipment--sometimes referred to as "bedding" in the trade) amounted to $29.8 billion in retail outlets with payroll in 1987. This was 56.4% over the total reported for 1982 (in current dollars), while the number of outlets increased by 11,152 or 16.5%, to reach 78,872 in 1987.

FURNITURE AND SLEEP EQUIPMENT SALES SHARE BY RETAIL OUTLET TYPES: 1987 AND 1982

	Establishments*		Sales				%
			Mil. $		% of Sales		Change
	1987	1982	1987	1982	1987	1982	87/82
Furniture, sleep equip., total	78,872	67,720	$29,842.9	$19,086.0	100.0	100.0	56.4%
Department stores**	7,888	8,162	4,597.6	3,099.9	15.4	16.2	48.4
Conventional	1,552	nr	1,400.5	nr	4.7	nr	--
National chain	1,814	nr	2,374.3	nr	8.0	nr	--
Discount/mass mdsng.	4,522	nr	822.8	nr	2.8	nr	--
Furn., homefurnishings stores	38,717	34,031	22,265.3	14,577.8	74.6	76.4	52.7
Furniture stores #	32,763	29,609	21,579.0	14,095.1	72.3	73.6	53.1
Other homefurnishings stores	5,954	4,422	686.3	482.7	2.3	2.5	42.2
Nonstore retailers (catalog/mail order, houses, direct selling estabs.)	3,348	3,732	757.5	393.0	2.5	2.1	92.8
Other retail outlets	28,829	21,795	2,222.5	1,015.3	7.5	5.3	118.9

* Covers outlets with payroll selling furniture/sleep equipment. Each store location is separately reported.

** Leased departments are not included, but are counted as specialty homefurnings stores. See INTRODUCTION for change in 1987 store definition.

# Includes stores specializing in sleep equipment.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3, RC82-1-3)

Details on sales of specific products within this major classification were reported for leading outlet types. Furniture and sleep equipment sales in these reporting stores amounted to $25,353.8 million, or 85% of the $29,842.9 total sales of these products by all retailers with payroll. Of the $25,353.8 million in reported sales, upholstered furniture accounted for 32.5%; living room, dining room, bedroom, 37.5%; other furniture, 9.1%; sleep furniture and equipment, 20.9%.

HOMEFURNISHINGS AND HOME EQUIPMENT

Furniture and Sleep Equipment (ML Code 340)

REPORTED SALES BY TYPE OF FURNITURE AND SLEEP FURNITURE/EQUIPMENT: 1987
(Sales in thousands of dollars)

			% of Total Sales of	
	Establishments*	Sales	Stores Selling Line*	All Stores*
Furniture, sleep equipment:				
Reported total	--	$25,353,794	--	--
Upholstered furniture	26,919	8,233,059	--	--
Department stores:				
Conventional	1,028	376,384	1.5%	0.8%
National chain	1,569	650,986	2.0	1.8
Discount/mass merchandising	nr	nr	--	--
Furniture stores	24,322	7,205,689	33.4	27.7
Living room, dining room, bedroom furniture	29,623	9,514,084	--	--
Department stores:				
Conventional	1,084	434,316	1.7	0.9
National chain	1,758	924,522	2.7	2.6
Discount/mass merchandising	nr	nr	--	--
Furniture stores	26,781	8,155,246	36.3	31.4
Other furniture	--	2,311,668	--	--
Department stores:				
Conventional	783	107,237	0.7	0.2
National chain	1,378	169,629	0.6	0.5
Discount/mass merchandising	nr	nr	--	--
Furniture stores	--	--	--	--
Office furniture	6,539	672,383	12.0	2.6
Other furniture	12,093	1,362,419	12.5	5.2
Sleep furniture/equipment	28,633	5,294,983	--	--
Department stores:	--	--	--	--
Conventional	1,259	482,616	1.7	1.0
National chain	1,624	629,150	1.9	1.8
Discount/mass merchandising	nr	nr	--	--
Furniture stores	25,750	4,183,217	19.0	16.1

* Covers each specific outlet type reporting sales.
nr not reported.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Floor Coverings (Soft Surface and Hard Surface) (ML Code 360)

Sales of floor coverings of all types reported by retail outlets with payroll in 1987 amounted to $11.4 billion, gaining 64.8% (in current dollars) over the $6.9 billion in sales reported for 1982. The number of outlets increased 3.8% in this period, rising to 58,699 from 56,540. Sales by outlet type were reported as follows:

FLOOR COVERINGS SALES SHARE BY RETAIL OUTLET TYPES: 1987 AND 1982

			Sales				%
	Establishments*		Mil. $		% of Sales		Change
	1987	1982	1987	1982	1987	1982	87/82
Floor coverings, total	58,699	56,540	$11,384.7	$6,907.7	100.0	100.0	64.8%
Floor coverings stores	13,752	11,125	7,975.6	4,430.6	70.1	64.1	80.0
Building materials/ supply stores	12,010	10,396	1,007.4	650.6	8.8	9.4	54.8
Department stores	5,900	6,394	892.7	795.4	7.8	11.5	12.2
Conventional	1,250	nr	357.2	nr	3.1	--	--
National chain	1,501	nr	361.0	nr	3.2	--	--
Discount/mass mdsng.	3,149	nr	174.4	nr	1.5	--	--
Furniture stores	10,184	11,917	786.4	621.8	6.9	9.0	26.5
Other retailers	16,853	16,708	722.6	409.3	6.4	6.0	76.5

* Covers outlets with payroll selling floor coverings. Each store location is separately counted.
For store definitions, see INTRODUCTION.

** Includes paint, glass and wallpaper stores.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3, RC82-1-3)

Separate sales data for soft surface and for hard surface floor coverings was reported for some outlet types, covered below. These outlets accounted for a total of $9,914.5 million in floor coverings sales, or 87% of the total reported by all outlets with payroll in 1987. The sales total for reporting stores was divided 75% soft surface, 25% hard surface floor coverings.

HOMEFURNISHINGS AND HOME EQUIPMENT

Floor Coverings (Soft Surface and Hard Surface) (ML Code 360)

REPORTED SALES BY TYPE OF FLOOR COVERINGS: 1987
(Sales in thousands of dollars)

			% of Total Sales of		%
	Establishments*	Sales	Stores Selling Line*	All Stores	of Total
Total reported	--	$9,914,525	--	--	--
Soft surface floor coverings**	32,659	7,439,408	--	--	100.0%
Paint, glass, wallpaper stores	3,776	141,212	13.7	5.8	1.9
Department stores:					
Conventional	1,242	355,444	1.1	0.8	4.8
National chain	1,501	347,938	1.1	1.0	4.7
Discount/mass merchandising	nr	nr	--	--	--
Variety stores	4,165	40,155	1.0	0.6	0.5
Furniture stores	9,857	692,509	7.0	2.7	9.3
Floor coverings stores	11,750	5,766,749	69.8	62.5	77.5
Misc. homefurnishings stores	1,869	95,401	7.2	1.6	1.3
Hard surface floor coverings**	18,876	2,475,117	--	--	100.0
Paint, glass, wallpaper stores	3,243	161,846	9.0	3.1	6.5
Furniture stores	4,068	93,860	3.1	0.4	3.8
Floor coverings stores	11,161	2,208,844	29.6	23.9	89.2
Misc. homefurnishings stores	404	10,567	5.9	0.2	0.5

nr not reported.

* Covers each specific outlet type reporting sales of soft surface and hard surface floor coverings.

** Each classification includes accessories related to floor covering. Hard surface includes tile and sheet goods.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Televisions, Video Recorders, Tapes (ML Code 320)

This classification includes televisions, video recording devices and cameras, video tapes, etc. (including parts and accessories). The rapid development of new products in the five-year span between the censuses of retail trade is revealed in the rise of 95.6% in sales by retail outlets with payroll in 1987 compared with 1982. The number of outlets increased by more than 7,000 (12.4%). Sales in leading retail outlet types in 1987 compared with 1982 were reported as shown below. Rentals and other merchandise receipts are not included in the sales figures.

HOMEFURNISHINGS AND HOME EQUIPMENT

Televisions, Video Recorders, Tapes (ML Code 320)

TELEVISIONS, VIDEO RECORDERS, TAPES AND SUPPLIES SALES SHARE BY RETAIL OUTLET TYPES: 1987 AND 1982

	Establishments*		Sales (Mil. $)		% of Sales		% Change
	1987	1982	1987	1982	1987	1982	87/82
Video equipment, total	66,042	58,735	$13,379.9	$6,841.2	100.0	100.0	95.6
Other types:							
Radio, TV, electronics, total	16,228	14,240**	5,328.6	2,767.4	39.8	40.5	92.5
Department stores***	6,168	5,164	3,617.6	1,833.9	27.0	26.8	97.3
Conventional	1,288	nr	934.8	nr	7.0	--	--
National chain	1,660	nr	1,523.7	nr	11.4	--	--
Discount/mass merchan.	3,220	nr	1,159.1	nr	8.7	--	--
Home entertainment							
Other types:							
Misc. gen'l. merchandise stores***	5,848	3,256	1,180.0	251.6	8.8	3.7	369.0
Household appliance stores	5,626	5,287	1,294.0	835.4	9.7	12.2	54.9
Furniture stores	6,256	8,877	586.5	376.2	4.4	5.5	55.9
Nonstore retailers:							
catalog/mail order houses	2,618	3,206	515.2	175.0	3.9	2.6	194.4
Other retail outlets	23,298	18,705	858.0	601.7	6.4	8.7	42.6

nr not reported

* Covers outlets with payroll selling TV sets, video recorders, etc. Each store location is separately counted.

** Computer stores were included in this store classification in 1982, but not in 1987.

***See INTRODUCTION for information on a change in store classification system in 1987 SIC. Catalog order desks operating within department stores are included; leased departments are not included in department store figures but are classified as specialty outlets.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3, RC82-1-3)

For some of the principal outlet types in this classification, separate information has been reported in the 1987 Census of Retail Trade on sales of televisions and on other video equipment and supplies. The total of reported information covering these products ($10,047,942,000) represented 75.1% of the grand total of $13,379,884,000 in sales reported for all outlets with payroll. Televisions accounted for 58.6% of the $10.0 billion sales total.

Televisions, Video Recorders, Tapes (ML Code 320)

REPORTED SALES BY TYPE OF VIDEO AND RELATED PRODUCT CLASSIFICATION: 1987
(Sales in thousands of dollars)

			% of Total Sales of	
	Establishments*	Sales	Stores Selling Line*	All Stores**
Total reported	--	$10,047,942	--	--
Televisions, total reported	30,013	5,885,097	--	--
Radio, TV, electronics stores	15,958	3,241,675	23.7%	21.4%
Department stores	5,423	2,044,133	--	1.4
Conventional	1,250	602,607	2.1	1.3
National chain	1,649	756,676	2.2	2.1
Discount/mass merchandising	2,524	684,850	2.5	1.1
Furniture stores	6,132	465,309	8.7	1.8
Catalog/mail order houses	2,500	133,980	2.3	0.7
Video recorders/cameras, tapes, total reported	17,929	4,162,845	--	--
Radio, TV, electronics stores	7,023	2,086,889	--	13.7
Video recorders/cameras	7,023	2,024,704	20.5	13.3
Video tapes	2,157	62,185	1.7	0.4
Department stores	4,842	1,573,521	--	1.1
Conventional	1,024	332,233	1.4	0.7
National chain	1,651	766,989	2.2	2.2
Discount/mass merchandising	2,167	474,299	1.7	0.8
Furniture stores	3,536	121,167	3.7	0.5
Catalog/mail order houses	2,528	381,268	5.6	1.9

* Retail outlets with payroll selling specified merchandise.
**Includes all outlets in the specified store classification.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Department Stores

For the first time, in the 1987 census reports sales data for department stores was broken down by type of operation for many classifications of merchandise, including video equipment. The following summarizes information for the two product classifications covered.

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION: 1987

	Video Equipment/ Supplies, Total	Televisions	Video Recorders, Cameras, Tapes
Total department store sales (mil. $)	$3,617.6	$2,044.1	$1,573.5
Percent	100.0%	100.0%	100.0%
Conventional dept. stores	25.8	29.5	21.1
National chain dept. stores	42.1	37.0	48.8
Discount/mass merchandising	32.1	33.5	30.1

Source: Based on 1987 Census of Retail Trade

HOMEFURNISHINGS AND HOME EQUIPMENT

Audio Equipment, Musical Instruments, and Supplies (ML Code 330)

This merchandise classification includes audio equipment and components (radios, stereos, tape recorders and players, compact disc players, records, tapes, compact discs, sheet music, accessories, etc.). Also included in major code 330 are musical instruments and related items.

Total sales of the entire classification amounted to $16,944,400,000 in 1987, reported by 85,909 retail outlets with payroll. This was 50.2% over the $11,278,674,000 in sales reported by 74,084 outlets in 1982, based on current dollars. Rentals and other non-merchandise receipts are not included in sales figures.

AUDIO EQUIPMENT, MUSICAL INSTRUMENTS AND SUPPLIES SALES SHARE
BY RETAIL OUTLET: 1987 AND 1982

	Establishments*		Sales				%
			Mil. $		% of Sales		Change
	1987	1982	1987	1982	1987	1982	87/82
Audio equipment, musical instruments, supplies, total	85,909	74,084	$16,944.4	$11,278.7	100.0%	100.0%	50.2%
Radio, TV, electronics music stores, total	28,060	23,766	11,091.7	7,198.1	65.5	63.8	54.1
Record and prerecorded tape stores	6,213	4,420	3,530.4	1,774.9	20.8	15.7	98.9
Radio, TV, electronics stores	17,157	14,482	5,423.3	3,685.4	32.0	32.7	47.2
Musical instrument stores	4,690	4,864	2,138.0	1,737.7	12.6	15.4	23.0
Department stores**	8,288	8,466	2,269.9	1,717.2	13.4	15.2	32.2
Conventional	1,001	nr	418.4	nr	2.5	--	--
National chain	1,646	nr	390.1	nr	2.3	--	--
Discount/mass merchan.	5,641	nr	1,461.4	nr	8.6	--	--
Miscellaneous general mdse. stores**	8,946	5,478	1,282.6	690.6	7.6	6.1	85.7
Nonstore retailers: catalog, mail order houses	2,730	3,489	945.0	666.6	5.6	5.9	41.8
Other retail outlets	37,885	32,885	1,355.2	1,006.2	7.8	8.9	34.7

nr not reported
* Covers outlets with payroll selling audio equipment, supplies, etc. Each store location is separately counted.
** See INTRODUCTION for information on a change in store classification system in 1987. Catalog order desks operating in department stores are included; leased departments are not included in department store figures, but are classified as specialty stores.

Source: U.S. Bureau of the Census:
Census of Retail Trade (RC87-S-3, RC82-1-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Audio Equipment, Musical Instruments, and Supplies (ML Code 330)

For some of the principal outlet types in this classification, separate information has been reported in the 1987 Census of Retail Trade on sales of audio equipment (record players, tape recorders, etc.) and on records, tapes, compact discs, and on musical instruments and sheet music.

The outlet types reporting breakdowns registered a total of $13,336,561,000 in covered product sales -- representing 78.7% of the overall total for the classification amounting to $16,944,400,000 in 1987.

REPORTED SALES BY TYPE OF AUDIO EQUIPMENT AND RELATED PRODUCTS: 1987
(Sales in thousands of dollars)

			% of Total Sales of	
	Establishments*	Sales	Stores Selling Line*	All Stores**
Total reported	--	$13,336,561	--	--
Audio equipment and accessories (radios, record players, tape recorders/players, compact disc players, etc.)	24,579	6,653,580	--	--
Radio/TV/electronics stores	17,107	5,242,372	36.5%	34.5%
Record and prerecorded tape stores	2,162	189,632	13.8	4.8
Musical instrument stores	615	50,161	12.5	2.2
Department stores	4,694	1,171,415	--	0.8
Conventional	972	369,991	1.5	0.8
National chain	1,645	326,168	1.0	0.9
Discount/mass merchandising	2,077	475,256	2.0	0.8
Record, tapes, compact discs	23,760	4,505,342	--	--
Radio/TV/electronics stores	10,453	166,372	2.2	1.1
Record and prerecorded tape stores	6,211	3,284,208	84.4	83.6
Musical instrument stores	478	17,322	10.9	0.7
Department stores	6,618	1,037,440	--	0.7
Conventional	255	37,738	0.6	0.1
National chain	794	24,778	0.1	0.1
Discount/mass merchandising	5,569	974,924	1.6	1.6
Musical instruments, sheet music and accessories	8,344	2,177,639	--	--
Radio/TV/electronics stores	434	14,570	1.3	0.1
Musical instrument stores	4,690	2,070,540	--	89.2
Musical instruments, access.	4,690	1,910,621	--	82.3
Sheet music	2,989	159,919	12.2	6.9
Record (prerecorded tape stores sheet music)	2,146	53,386	4.0	1.4
National chain department stores	1,074	39,143	0.2	0.1

* Retail outlets with payroll selling the specified merchandise.
** Includes all outlets in the specified store classification.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

HOMEFURNISHINGS AND HOME EQUIPMENT

Audio Equipment, Musical Instruments, and Supplies (ML Code 330)

In the 1987 Census reports, information was included on sales of two product groups included in this major classification sold in department stores, by type of operation.

DISTRIBUTION OF DEPARTMENT STORE SALES BY TYPE OF OPERATION: 1987

	(ML Code 330) Audio Equipment/ Supplies/Musical Instruments, Total*	Audio Equipment and Accessories	Records, Tapes, Compact Discs
Total department store sales (mil. $)	$2,269.9	$1,171.4	$1,037.4
Percent	100.0%	100.0%	100.0%
Conventional dept. stores	18.4	31.6	3.6
National chain dept. stores	17.2	27.8	2.4
Discount/mass merchandising dept. stores	64.4	40.6	94.0

* Includes miscellaneous audio equipment not included elsewhere.

Source: Based on 1987 Census of Retail Trade

MISCELLANEOUS PRODUCT CLASSIFICATIONS

As noted in the INTRODUCTION, the Census Bureau has reported information on establishments and sales collected in the 1987 Census of Retail Trade on 41 broad merchandise lines, identified by merchandise line codes ending in "0", and many of these have been covered in the preceding pages. Among the other lines covered are the following selected lines with the balance (soaps, detergents, etc.; alcoholic beverages; lumber/building materials, and other products) not within the scope of this FACT FILE.

HOME SEWING PRODUCTS (Fabrics, Patterns, Notions, Yarns, Laces, etc.) (ML Code 270)

	Establishments*	1987 Sales Thous. $	1987 Sales % of Total
Total sales	37,280	$4,155,047	100.0%
Sewing/needlework specialty stores	9,632	2,467,834	59.4
General merchandise stores, total	18,531	1,352,144	32.5
Department stores (except National Chains)	5,558	964,146	23.2
Conventional	289	75,900	1.8
Discount/mass merchandising	5,268	888,266	21.4
Variety stores	7,461	273,160	6.6
Misc. general merchandise stores	5,512	114,838	2.8
Catalog/mail order houses	346	129,927	3.1
Other retail outlets	8,771	205,142	5.0

(continued)

MISCELLANEOUS PRODUCT CLASSIFICATIONS

JEWELRY (Fine and Costume Jewelry, Watches, Watchbands, etc.) (ML Code 400)

	Establishments*	1987 Sales Thous. $	 % of Total
Total sales	118,100	20,691,424	100.0%
Jewelry stores	28,050	10,965,473	53.0
General merchandise stores	23,805	6,903,136	33.4
Department stores	9,763	4,089,145	19.8
Conventional	2,346	1,756,563	8.5
National chain	1,758	1,076,096	5.2
Discount/mass merchandising	5,659	1,256,486	6.1
Variety stores	7,210	125,613	0.6
Misc. general merchandise stores	6,832	2,688,378	13.0
Apparel, accessory stores	22,005	920,528	4.4
Catalog/mail order houses	2,904	614,465	3.0
Other retail outlets	41,336	1,287,822	6.2

* Covers each specific outlet type reporting sales.

The following information on products within this classification was reported for the principal outlet types.

REPORTED SALES BY TYPE OF JEWELRY AND RELATED PRODUCTS: 1987
(Sales in millions of dollars)

	Total		Karat Gold	
	Estabs.	Sales	Estabs.	Sales
Jewelry stores	28,050	$10,965.5	25,911	$2,392.8
Department stores	9,763	4,089.2	--	--
Conventional	2,346	1,756.6	1,624	398.4
National chain	1,758	1,076.1	1,722	227.8
Discount/mass merchandising	5,659	1,256.5	nr	nr

	Gemstone/Pearl		Watches/Other	
	Estabs.	Sales	Estabs.	Sales
Jewelry stores	28,050	$ 6,478.2	28,050	$2,094.4
Department stores	--	--	--	--
Conventional	1,030	254.6	2,240	1,103.6
National chain	1,726	294.7	1,756	533.6
Discount/mass merchandising	nr	nr	nr	nr

LUGGAGE AND SMALL LEATHER GOODS (Excluding men's/women's small leather goods) (ML Code 856, included by the Census Bureau in major ML Code 850: All Other Merchandise)

Information on total sales of luggage and covered leather goods is not available. However, the following information has been reported on major outlet types in 1987.

MISCELLANEOUS PRODUCT CLASSIFICATIONS

	Establishments*	1987 Sales Thous. $	1987 Sales % of Total
LUGGAGE AND SMALL LEATHER GOODS			
Total for reporting outlets	16,408	$1,825.6	100.0%
Luggage/leather goods stores	2,009	710.2	38.9
Department stores	4,224	559.2	30.6
Conventional	1,863	311.5	17.1
National chain	1,694	202.8	11.1
Discount/mass merchandising	667	44.9	2.5
Variety stores	3,835	54.1	3.0
Misc. general merchandise stores	3,875	336.1	18.4
Catalog/mail order houses	2,465	166.0	9.1
TOYS, HOBBY GOODS, GAMES AND CRAFTS (ML Code 460)			
Total sales	105,929	$12,916,995	100.0%
Hobby, game, toy shops	9,629	5,245,698	40.6
General merchandise stores, total	29,652	5,316,630	41.2
Department stores	8,799	3,637,778	28.2
Conventional	1,359	275,136	2.1
National chain	1,802	326,429	2.5
Discount/mass merchandising	5,638	3,036,213	23.5
Variety stores	10,030	557,092	4.3
Misc. general merchandise stores	10,823	1,121,760	8.7
Drug stores	18,687	632,379	4.9
Catalog/mail order houses	3,056	622,676	4.8
Other retail outlets	44,905	1,099,612	8.5

Sales by major product lines included in this classification were reported for the following principal outlet types.

REPORTED SALES OF TOY, HOBBY/GAME & CRAFT PRODUCTS: 1987
(Sales in millions of dollars)

	Total, Reported Products		Toys	
Store Type	Estabs.	Sales	Estabs.	Sales
Hobby, toy, game stores	9,629	$5,245.7	5,232	$3,229.6
Department stores	8,799	3,637.8	8,366	2,960.4
Conventional	1,359	275.1	1,208	194.0
National chain	1,802	326.4	1,802	246.7
Discount/mass merchandising	5,638	3,036.2	5,356	2,519.7
Drug stores	18,687	632.4	18,044	534.2

	Hobby/Game		Craft/Other	
	Estabs.	Sales	Estabs.	Sales
Hobby, toy, game stores	3,765	$1,234.7	4,802	$ 781.3
Department stores	6,691	565.2	--	112.1
Conventional	331	75.6	--	5.5
National chain	1,771	58.0	1,623	21.7
Discount/mass merchandising	4,589	431.6	926	84.9
Drug stores	2,179	78.1	--	98.2

MISCELLANEOUS PRODUCT CLASSIFICAITONS

		1987 Sales	
	Establishments*	Thous. $	% of Total
HARDWARE, TOOLS, PLUMBING AND ELECTRIC SUPPLIES (ML Code 600)			
Total sales	106,621	$20,783,764	100.0%
Lumber, building materials, dealers	19,974	8,028,002	38.6
Hardware stores	20,059	6,085,871	29.3
General Merchandise stores	23,873	4,685,103	22.5
Department stores	7,618	3,430,623	16.5
Conventional	128	66,632	0.3
National chain	1,813	1,702,734	8.2
Discount/mass merchandising	5,677	1,661,257	8.0
Variety stores	9,034	199,087	1.0
Misc. general merchandise stores	7,221	1,055,393	5.1
Other retail outlets	42,715	1,984,785	9.6
LAWN/GARDEN EQUIPMENT, SUPPLIES (ML Code 620)			
Total sales	118,580	16,846,568	100.0
Retail nurseries, lawn and garden supply stores	10,962	4,294,035	25.5
Florists	26,683	4,124,075	24.5
General merchandise stores	20,698	3,496,738	20.8
Department stores	7,233	2,849,814	16.9
Conventional	138	33,148	0.2
National chain	1,433	1,051,087	6.2
Discount/mass merchandising	5,662	1,765,578	10.5
Variety stores	6,603	151,839	0.9
Misc. general merchandise stores	6,862	495,085	2.9
Grocery stores (supermarkets)	13,813	840,988	5.0
Lumber, building materials dealers	9,195	1,734,545	10.3
Hardware stores	13,035	957,892	5.7
Other retail outlets	24,194	1,398,295	8.3
COMPUTER HARDWARE/SOFTWARE, CALCULATING EQUIPMENT AND SUPPLIES (ML Code 370)			
Total sales	29,897	5,828,005	100.0
Computer and software sales	3,858	2,535,551	43.5
Radio, TV, electronics stores	9,003	891,249	15.3
General merchandise stores	9,490**	1,394,299**	23.9
Department stores	5,702	844,560	14.5
Conventional	644	160,002	2.7
National chain	1,217	91,908	1.6
Discount/mass merchandising	3,841	592,650	10.2
Misc. general merchandise stores	3,554	547,976	9.4
Catalog and mail order houses	2,326	545,569	9.4
Other retail outlets	5,220	461,337	7.9

(continued)

MISCELLANEOUS PRODUCT CLASSIFICATIONS

		1987 Sales	
	Establishments*	Thous. $	% of Total
PHOTO EQUIPMENT SUPPLIES (ML Code 440)			
Total sales	63,723	5,381,066	100.0%
Camera, photo supply stores	3,791	1,661,436	30.9
General merchandise stores, total	18,456	2,145,762	39.9
Department stores	7,323	1,647,084	30.6
Conventional	526	160,087	3.0
National chain	1,563	306,447	5.7
Discount/mass merchandising	5,234	1,180,550	21.9
Variety stores	3,894	47,513	0.9
Misc. general merchandise stores	7,239	451,165	8.4
Grocery stores (supermarkets)	15,197	294,356	5.5
Drug stores	20,347	903,631	16.8
Catalog/mail order houses	2,148	194,559	3.6
Other retail outlets	3,784	181,322	3.3

* Covers retail outlets with payroll. Each store location is separately counted.

**Total includes general merchandise stores not separately reported.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

SCHEDULE OF ADDITIONAL FACT FILES

Statistical Analysis of Retailing (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the maturing population are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Department Store Sales: Outlines ownership change/reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

Dresses, Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, value of shipments, industry location and trends in employment levels. The governing impact of imports on total U.S. market supply is analyzed. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, & Boys' and Girls'): A statistical summary of the U.S. footwear industry and the footwear markets. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising resutls for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics on sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Fairchild Fashion & Merchandising Group
New York

The Children's Market
Infants', Toddlers', Girls' and Boys'

FAIRCHILD FACT FILE

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EXECUTIVE SUMMARY

1. The number of U.S. births reached 4.2 million in 1990, the highest level since 1964. This number is expected to peak in the early 1990's, and then decline to an estimated 3.7 million by the year 2000, according to the U.S. Bureau of the Census.

2. More of today's new parents are older, more highly educated, with more sophisticated tastes and higher income levels than in the past, allowing more money to be spent on their children, according to the Census Bureau.

3. Employment levels fell in the children's apparel industry; the number of workers dropped 7.2% in children's outerwear, and 0.9% in girls' and children's dresses and blouses in December 1990 vs. December 1989, according to the Bureau of Labor Statistics.

4. Personal consumption expenditures for boys' apparel and footwear totaled an estimated $10.7 billion in 1989, 6.5% higher than in 1988, and $22.9 billion for girls' and children's apparel and footwear, up 6.9% over 1988, according to the Bureau of Economic Analysis.

5. A survey of household spending, conducted by the Bureau of Labor Statistics, showed average expenditures for most boys', girls', and children's apparel categories were highest in the West in 1989, followed by the Northeast, the South and the Midwest.

6. Discount department stores were the most popular outlet for children's wear purchases; specialty stores are also growing in importance, according to Stores Magazine. For juvenile footwear purchases, discount stores also took highest market share, followed by shoe stores in 1989, according to Footwear Market Insights. The greatest share of toy sales was made in discount stores in 1989, followed by toy stores, according to the NPD Group.

7. According to the U.S. Census Bureau, the value of product shipments in 1989 vs. 1988 fell 1.1% in girls', children's, infants' wear, and 3.5% for boys' wear. Nonrubber juvenile footwear shipments also dropped 8.5% during this time period. In 1990 vs. 1989, shipments of toys and games were down 0.9%, and fell 1.1% for dolls and stuffed toys.

THE CHILDREN'S MARKET

Market Trends

The children's market is greatly influenced by the demographic changes currently taking place in the U.S. One such change is the increase in new births due partly to the large number of female baby boomers born between 1946 and 1964, who are now in their childbearing years. An estimated 4.2 million babies were born in the U.S. in 1990, 4% more than in 1989, and the highest level since 1964, according to the Census Bureau. The number is expected to peak in the early 1990's, and then level off thereafter. This new baby boom is of great interest to marketers of baby products of all kinds, who experience sales growth, as their products become necessities.

The average woman is also having fewer offspring, resulting in an increase in the number of smaller families with only one or two children. Over 41% of total births were first-timers, many to older women in the 30 to 44 age group, who had either married late, or had delayed childbirth to establish their careers. Many of these parents are more educated than in the past, and have more sophisticated tastes, and higher income levels, allowing more available spending money for each child. Parents spend about thirty to fifty percent more on their first child than on later ones, according to Children's Business. The development of new products, or new features on existing products, has encouraged parents to make secondary purchases for their next child, however, instead of passing down the old product.

Manufacturers of children's products have become aware of the importance and influence that grandparents have on the market, as many continue to live longer, and have more discretionary income, translating into more money that is often spent on baby presents. They have also begun to recognize children as independent consumers, who have higher allowances, and money from gifts or part-time work to spend. These young shoppers have become more trend-aware and brand-aware, and influence their parents' purchases, as well as make their own. They spend approximately $700 million per year on clothing, and $1.9 billion on toys, games and crafts, according to American Demographics.

Despite a weak economy, the $19 billion children's clothing market is growing faster than retail sales overall, showing better gains than other merchandise categories. Reasons for such growth include the continuing need for replacement purchases of clothing, as kids grow and change sizes, and the emotional priority parents and grandparents feel in wanting their children to look well-dressed, according to Children's Business.

Children's wear styles should move toward more durable, high-quality items, that are less frilly and frivolous, industry executives report. Many of the fashions should follow those of the junior and adult markets, as kids continue to desire clothing like their elder brothers and sisters.

Licensing continues to be an important segment of the children's wear category, driven by movie and television properties. Brand names and brand extensions have also become more widespread, as consumers find security in purchasing names that they are familiar with.

Market Trends (continued)

New brands in clothing include popular toy companies such as Playschool, Lego, Play-Doh, and Barbie, who have entered licensing agreements with clothing manufacturers. Companies such as Walt Disney, Hanna Barbera, Ringling Brothers and Sesame Street have also entered into the children's market by launching their own entertainment-themed retail stores, according to Children's Business. These stores, which offer a wide range of products, such as apparel, toys, accessories, and books, have become very successful.

Purchases of girls' and infants' footwear grew 6.4% and 1.7% respectively in units in 1990 versus 1989. Boys' footwear purchases dropped 3.7%, however, according to the Footwear Market Index. The girls' and boys' markets were still dominated by athletic styles.

Retail sales of toys have increased, along with shipments, to total $13.4 billion in 1989, up 3.4% from 1988. The increase in the children's population, the resurgence of traditional toy sales, and the move toward year-round sales, are factors causing this growth.

DEMOGRAPHIC TRENDS

Characteristics of the baby/small child market are shaped by the characteristics of their mothers to a large extent, and many changes have occurred in the demographics in recent years that will continue to affect marketers. One such development includes the increase in first births by older women, 30 to 44 years old, many of which had either married at an older age, or had delayed parenthood in order to establish their careers. First time births rose 5.6% in 1988 vs. 1987, and jumped 158.6% compared to 1976 for women in this age group. Women in their late 20's, are also having children now, instead of concentrating on their careers even if it means giving up extra income and facing a declining standard of living. Many new mothers have also attained higher educational levels than in the past.

In effect, the number of women entering the labor force has leveled off, according to the Bureau of Labor Statistics, as the labor participation rates for women in the two largest age groups, 25 to 34 years old, and 35 to 44 have risen since 1986 at a much slower pace than in the previous 10 years. Many economists and sociologists agree that the current recession, rising college enrollment, the growing number of births, an inadequate child care system, and the desire of mothers to stay home and raise their children are factors responsible for these lower labor rates. This decline may reverse itself, perhaps by the end of the decade, if the child-care barriers and other issues are resolved, according to the New York Times.

There was also an increase in single mothers, which rose a full 91.9% in 1988 vs. 1976, and 4.4% vs. 1987. Single-parent families, and the number of people living alone should be two of the fastest growing segments, as married-couple families make up a declining share of all households in the 1990s, according to the Census Bureau.

DEMOGRAPHIC TRENDS

Characteristics of new mothers in 1987 and 1988 compared with 1976 show the changes in the demographics that are having an impact on the market.

Selected Characteristics of Mothers Age 18 to 44 Who Have Had a Child In the 12 Months Ending June: 1976, 1987, 1988

	1988	1987	1976	% Change 1988/1976
Women age 18 to 44 who have had a child in the 12 month period	3,666	3,701	2,797	31.1%
Total percent	100.0%	100.0%	100.0%	--
Educational level				
Less than high school	18.0	19.7	28.0	-35.7
High school, 4 years	43.2	42.9	45.5	-5.1
College, 1-3 years	21.2	20.0	14.8	43.2
College, 4 or more years	17.8	17.3	11.7	52.1
Birth order & age of women at:				
First birth	35.0	38.6	38.7	-9.6
18 to 24 years	17.2	18.3	24.8	-30.6
25 to 29 years	10.4	13.2	10.9	-4.6
30 to 44 years	7.5	7.1	2.9	158.6
Second or higher order birth	65.0	61.4	61.3	6.0
18 to 24 years	14.2	16.1	21.3	-33.3
25 to 29 years	23.3	20.5	22.3	4.5
30 to 44 years	27.5	24.8	17.7	55.4
Race and Hispanic origin				
White	79.0	79.4	83.2	-5.0
Black	16.1	15.1	14.5	11.0
Hispanic*	11.0	11.1	na	--
Not Hispanic	88.9	88.9	na	--
Marital status				
Married, husband present	73.7	77.4	83.3	-11.5
Widowed, divorced, separated**	9.8	6.8	8.0	22.5
Single	16.5	15.8	8.6	91.9
In the Labor Force	50.8	50.8	31.0	63.9

* Persons of Hispanic origin may be of any race.
**Includes married, husband not present.

Source: U.S. Bureau of the Census, Current Population Reports: Fertility of American Women: June 1988 (Series P-20, No. 436)

DEMOGRAPHIC TRENDS

Births

An estimated 4,179,000 babies were born in the U.S. during 1990, 4% more than the provisional total reported for 1989, and representing the largest number reported since 1964.

Such rising birth rates, known as the new baby boom or the baby boom echo, result from the large number of women born between the baby boom years of 1946 and 1964, who are entering their childbearing years, and many of whom are moving out of their fertile 20s and into their less fertile 30s. This growth is expected to decline, however, to about 3.7 million births per year by the year 2000, as there are far fewer girls born in the late 1960s and early 1970s than there were in the baby boom years, resulting in fewer women moving into their peak fertile years.

Registered Live Births in the U.S.
Selected Years, 1960-1990

Year	Number (000)
1990	4,179,000
1989	4,012.0
1988	3,913.0
1987	3,809.4
1986	3,756.5
1985	3,760.6
1980	3,612.3
1975	3,144.2
1970	3,731.4
1965	3,760.4
1960	4,257.8

Source: U.S. Dept. of Health and Human Services,
National Center for Health Statistics:
Monthly Statistics Report

The number of smaller families, those with one or two children, has been growing rapidly because the average woman is having fewer offspring. A high percentage of births--over 41%--have been first births, as over 32% represented second births. These relatively small families represent a particularly promising market for makers of baby products, as the household income levels for many are above average, and first borns generally benefit from a greater outlay for the nursery than needed for a second child or later arrival. Doting grandparents are also available to a greater extent than ever, due to longevity and greater affluence, to shower babies with gifts, representing an important segment of the baby business.

Births (continued)

Live-Birth Order--Percent of Total Births in Selected Years, 1972-1988

	1988	1987	1984	1979	1972
Total live births	100.0%	100.0%	100.0%	100.0%	100.0%
Birth order:					
First	41.1	41.4	41.7	42.3	39.6
Second	32.7	32.9	33.0	32.0	28.5
Third	16.2	16.0	15.3	15.1	14.1
Fourth & higher	10.1	9.7	9.5	10.7	15.0
Not stated	--	--	0.5	--	2.8

Source: U.S. Dept. of Health & Human Services, National Center for Health Statistics: Advance Report of Final Natality Statistics, 1988 (August 15, 1990)

Population Projections

The Census Bureau periodically releases projections on the U.S. population by sex and age (including armed forces overseas). The report covers three series, each based on different assumptions as to the future growth in fertility, mortality and net immigration.

According to the middle series, the number of children, both boys and girls, from under one year old to age eight, is expected to decline by the year 2000. Those aged 10 to 16 should increase, however, as the large numbers of babies currently being born reach that age group.

Population Projections (continued)

Population Projections By Sex & Single Years of Age Under 17 Years:
1990, 2000
(Middle Series Projections*)
(Numbers in thousands)

	Total		Boys		Girls	
	1990(e)	2000(p)	1990(e)	2000(p)	1990(e)	2000(p)
Total all ages	250,140	268,266	122,243	131,191	128,167	137,076
Total under age 17	60,692	61,894	31,086	31,725	29,608	30,168
Under age 3, total	11.006	10,005	5,637	5,130	5,369	4,876
Under 1 year	3,743	3,388	1,917	1,737	1,826	1,651
Age 1	3,636	3,295	1,864	1,691	1,772	1,604
Age 2	3,627	3,322	1,856	1,702	1,771	1,621
Ages 3 to 5, total	11,137	10,412	5,698	5,333	5,438	5,079
Age 3	3,682	3,410	1,884	1,746	1,798	1,664
Age 4	3,719	3,483	1,904	1,785	1,815	1,698
Age 5	3,736	3,519	1,910	1,802	1,825	1,717
Age 6 to 9, total	14,642	14,606	7,498	7,486	7,109	7,120
Age 6	3,609	3,565	1,847	1,826	1,762	1,739
Age 7	3,745	3,677	1,919	1,885	1,826	1,792
Age 8	3,612	3,605	1,850	1,849	1,762	1,756
Age 9	3,676	3,759	1,882	1,926	1,759	1,833
Ages 10 to 14, total	17,284	19,208	8,858	9,851	8,427	9,357
Age 10	3,688	3,865	1,890	1,984	1,798	1,881
Age 11	3,522	3,839	1,803	1,968	1,718	1,871
Age 12	3,405	3,819	1,745	1,958	1,661	1,861
Age 13	3,400	3,834	1,743	1,965	1,657	1,869
Age 14	3,270	3,851	1,677	1,976	1,593	1,875
Ages 15 & 16, total	6,622	7,662	3,394	3,925	3,228	3,737
Age 15	3,350	3,900	1,718	1,998	1,632	1,902
Age 16	3,272	3,762	1,676	1,927	1,596	1,835

* Middle of a series of three different population projections, each based on alternative assumptions for future fertility, mortality and net immigration levels. Includes Armed Forces overseas.

Note: Columns may not add to totals shown due to rounding.
(e) estimate
(p) projected

Source: U.S. Bureau of the Census, Current Population Reports: Population Projections of the U.S. by Age, Sex and Race, 1988-2080 (Series P-25, No. 1018)

Population Projections (continued)

Census Bureau projections for 1990, show the highest percentage of children under 18 years old to live in the South, followed by the Midwest, the West and the Northeast. Projections to the year 2000 and 2010, however, reveal a steady increase in children living in the West and the South, while the Midwestern and the Northeastern regions registered declines.

Population Projections of Children Under 18: Distribution By Regions: 1990, 2000, 2010

	Age Groups	
	Under 5	5 - 17
1990		
United States	100.0%	100.0%
Northeast	18.4	18.7
Midwest	24.4	24.4
South	34.8	35.6
West	22.4	21.4
2000		
United States	100.0	100.0
Northeast	17.8	18.4
Midwest	22.6	22.9
South	36.0	36.0
West	23.6	22.7
2010		
United States	100.0	100.0
Northeast	16.8	17.9
Midwest	21.5	21.6
South	36.6	36.8
West	25.2	23.7

Source: U.S. Bureau of the Census, Current Population Reports: Population Projections of the U.S. by Age, Sex and Race (Series P-25, No. 1017)

Living Arrangements

As of March 1989, 52% of the national total of 65,837,000 families had related children under age 18, compared with 54.3% in March 1980. The number of white families with children grew 2.1%, but the share of total white families they represent dropped from 52% to 49.6%. Black families with children under 18 also rose 12.2% from 1980 to 1989, however, again, this represented a drop in the total share, from 70.7% to 67.6% of all families.

Living Arrangements (continued)

The percentage of children under 18, living with parents (both or single) is broken down by income level, as shown below. A higher income level for families who have children 12 to 17 years old was reported, compared to those with children under 12. Reasons may include a higher proportion of single-parent families (headed by mother) for these younger age groups, and a lower number of working mothers in the two parent families, who stay home to take care of their younger children.

Distribution of Children Living With Parents (Both or Single) By Family Income Level: March 1989

(Number in thousands)

Age:	Under 18, total		Under 6 Years		6-11 Years		12-17 Years	
	Number	%	Number	%	Number	%	Number	%
Total	62,041	100.0%	21,915	100.0%	20,944	100.0%	19,182	100.0%
Family income:								
Under $10,000	9,085	14.6	3,820	17.4	3,136	15.0	2,129	11.1
$10,000 - $19,999	10,359	16.7	4,004	18.3	3,411	16.3	2,944	15.3
$20,000 - $29,999	10,545	17.0	3,874	17.7	3,683	17.6	2,988	15.6
$30,000 - $39,999	10,072	16.2	3,540	16.2	3,587	17.1	2,945	15.4
$40,000 - $49,999	7,857	12.7	2,594	11.8	2,583	12.3	2,680	14.0
$50,000 & over	14,123	22.8	4,083	18.6	4,544	21.7	5,496	28.7

Source: U.S. Bureau of the Census, Current Population Reports: Marital Status and Living Arrangements: March 1989 (Series P-20, No. 445)

The Census Bureau has compiled a profile of the living arrangements of children in the U.S., under 18 years of age (not including those maintaining households or family groups.) This shows a decrease in the number of children living with both parents in 1988, which totaled 72.7%, compared to 73.9% in 1985, 76.7% in 1980, and 85.2% in 1970.

In turn, a sharp increase in single-parent (mother) situations was noted, due to the high incidence of divorce, separations, and out-of-wedlock births. The percentage of children in single-parent households rose from 15.9% in 1975, to 22.4% in 1988; (19.6% of which was maintained by women, and 2.7% by men.) Single-parent situations (mothers only) were even more prevelant among black children, accounting for 51% of total families in 1988, up from 43.9% in 1980, and 29.5% in 1970.

Living Arrangements (continued)

The decline in the number of traditional families occurred throughout the 1980s. At the start of the decade, 31% of families fell into this category; 40% in the 1970s. This changed to 26% by the end of the 1980s. The Census Bureau predicts a slowdown in this decline, however, with both black and white families taking part in the overall trend toward family stability since the growth of single-parent families slowed.

Characteristics of Children Under 18 Years: Selected Years 1975-1988

		Percent of Children				
		Two Parent Families		Single-Parent Families		
	Total Own Children	Traditional*	Dual Worker**	Maintained By		
Year	(thousands)	Families	Families	Total	Women#	Men#
All Children Under 18						
1975	63,574	46.2%	29.7%	15.9%	14.6%	1.3%
1980	59,714	37.1	36.5	19.4	17.7	1.6
1988	58,441	28.6	42.6	22.4	19.6	2.7
Children Age 6-17						
1975	45,208	42.5	32.2	16.9	15.4	1.6
1980	41,788	32.9	39.1	21.0	19.1	1.9
1988	38,554	24.5	44.6	24.2	21.2	2.9
Children Under 6						
1975	18,366	55.3	23.3	13.2	12.7	0.5
1980	17,927	46.8	30.6	15.6	14.6	1.0
1988	19,887	36.5	38.5	19.0	16.6	2.3

* Father employed (including Armed Forces), mother not employed.
** Father and mother employed
# No spouse present

Source: U.S. Department of Labor, Bureau of Labor Statistics: Monthly Labor Review, December 1989

Living Arrangements (continued)

Living Arrangements of Children By Age: 1980, 1985, 1988

	1988 By Age (Years)						Total Under 18 Yrs.	
	Total Under 18 Yrs.	Under 3	3 to 5	6 to 9	10 to 14	15 to 17	1985	1980
ALL RACES								
Number (mils.)	63.2	11.0	10.9	14.2	16.5	10.5	62.5	63.4
PERCENT	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
In households	99.9	100.0	100.0	99.9	99.9	99.9	99.9	99.9
Living with--								
Both parents	72.7	75.7	74.1	71.8	71.8	70.8	73.9	76.7
Mother only	21.4	20.0	21.3	22.5	21.8	20.9	20.9	18.0
Father only	2.9	2.6	2.3	2.8	3.0	3.6	2.5	1.7
Neither parent	3.0	1.7	2.2	2.8	3.4	4.5	2.7	3.6
In group quarters	0.1	--	--	0.1	0.1	0.1	0.1	0.1
BLACK RACE								
Number (mils.)	9.7	1.7	1.7	2.2	2.6	1.6	9.5	9.4
PERCENT	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
In households	99.9	100.0	99.9	99.9	99.8	99.8	99.7	99.9
Living with--								
Both parents	38.5	36.2	38.0	38.4	40.4	38.8	39.5	42.2
Mother only	51.1	54.6	53.0	51.6	48.1	49.9	51.0	43.9
Father only	3.0	3.9	2.5	2.9	3.1	2.4	2.9	1.9
Neither parent	7.2	5.3	6.5	7.0	8.3	8.7	6.3	11.9
In group quarters	0.1	--	0.1	0.1	0.2	0.2	0.3	0.1

* Total does not include persons under 18 who are married or maintaining households.

Source: U.S. Bureau of the Census: Current Population Reports. (Series P-20, No. 433; P-20, No.410)

School Enrollment

Enrollment of Children Age 3 & Older By Level: Nursery School, Kindergarten, Elementary School October 1988, 1987, 1981

(Number in thousands)

	1988	1987	1981	% Change 1988/81
Total	34,846	34,131	33,014	5.5%
Nursery school	2,639	2,575	2,058	28.2
Kindergarten	3,958	4,047	3,161	25.2
Elementary school	28,249	27,509	27,795	1.6

School Enrollment (continued)

Enrollment Status for Nursery School & Kindergarten Students Age 3 to 6 Years Old By Selected Characteristics: October, 1988

(Number in thousands)

	Total		Male		Female	
	Number	%	Number	%	Number	%
Enrolled students, all races	6,556	100.0%	3,380	100.0%	3,175	100.0%
By age:						
3 years old	1,028	16.4	523	15.5	503	15.8
4 years old	1,768	26.7	905	26.8	863	27.2
5 years old	3,183	48.2	1,618	47.9	1,566	49.3
6 years old	577	8.7	334	9.9	243	7.7
Race/origin:						
White	5,391	82.2	2,813	83.2	2,579	81.2
Black	870	13.3	453	13.4	418	13.2
Hispanic origin*	609	9.3	325	9.6	285	9.0

Elementary/High School (Age 7 to 17 Years)

Enrollment Status of Persons Age 7 to 17 Years By Sex: Selected Characteristics: October 1988

(Number in thousands)

	Male		Female	
	Number	%	Number	%
Age groups:				
Age 7 to 9 years				
Total number	5,524	100.0%	5,220	100.0%
Enrolled in school	5,503	99.6	5,201	99.6
White	4,415	80.2	4,184	80.4
Black	855	15.5	808	15.5
Hispanic origin*	622	11.3	584	11.2
Age 10 to 17 years				
Total number	13,850	100.0	13,245	100.0
Enrolled in school**	12,927	93.3	12,876	97.2
White	10,869	78.5	10,322	77.9
Black	2,116	15.3	2,036	15.4
Hispanic origin*	1,296	9.4	1,282	9.7

*Persons of Hispanic origin may be of any race.

**A small number of youths under 18 are enrolled in college--including as of October 1986, 90,000 boys and 127,000 girls.

Source: U.S. Bureau of the Census, Current Population Reports: School Enrollment-Social and Economic Characteristics of Students (October 1988) (Series P-20, No. 443)

GENERAL INDUSTRY STATISTICS: APPAREL

A complete census of all manufacturing plants in the U.S. (with one or more paid employees) is compiled every five years by the U.S. Bureau of the Census. Results from the latest (1987), covering operations in the children's wear industry, are covered below. In intercensal periods, the Bureau conducts annual surveys among samples of manufacturers to provide estimates on key measurements of manufacturing. Statistics from 1988 were obtained from the 1988 Annual Survey of Manufactures.

Declines occurred in the number of establishments, and employees in the children's dress and blouse industry (SIC 2361), although shipment value rose 7%. Children's outerwear n.e.c., which now includes children's coats and suits (formerly SIC 2363), declined in total establishments, however, the number of employees and production workers increased, and industry shipments rose 72.7%.

Children's Dresses & Blouses (SIC 2361*)

				% Change	
	1988	1987	1982	88/87	87/82
Number of companies	na	401	490	--	-18.2%
Number of establishments, total**	413	454	556	-9.0%	-18.3
Number with 20 or more employees**	287	307	391	-6.5	-21.5
Employees, total (thous.)	28.9	30.9	37.7	-6.5	-18.0
Production workers (thous.)	23.7	26.2	32.4	-9.5	-19.1
Payroll (mil. $)	$ 360.6	$ 350.4	$357.3	2.9	-1.9
Value added by manufacture# (mil. $)	831.1	790.4	745.9	5.1	6.0
Value of industry shipments## (mil. $)	1,603.6	1,518.6	1,417.7	5.6	7.1
Capital expenditures, new (mil. $)	12.6	12.5	11.6	0.8	7.8

Children's Outerwear, Not Elsewhere Classified (SIC 2369*)

				% Change	
	1988	1987	1982	88/87	87/82
Number of companies	na	311	na	--	--
Number of establishments, total**	357	381	412	-6.3%	-7.5%
Number with 20 or more employees**	236	265	266	-10.9	-0.4
Employees, total (thous.)	40.0	40.8	33.7	-2.0	21.1
Production workers (thous.)	33.9	34.7	28.6	-2.3	21.3
Payroll (mil. $)	$467.2	475.4	313.9	-1.7	51.5
Value added by manufacture# (mil. $)	1,070.5	1,193.3	699.9	-10.3	70.5
Value of industry shipments## (mil. $)	2,069.8	2,234.5	1,293.7	-7.4	72.7
Capital expenditures, new (mil. $)	18.0	22.1	18.5	-18.6	19.5

na not available

(footnotes continued)

GENERAL INDUSTRY STATISTICS: APPAREL

* Manufacturing establishments are classified by industry under the 1987 Standard Industrial Classification (SIC) system determined by the principal product made, as shown below. (Knitting mills are not included).

SIC 2361 comprises establishments primarily engaged in manufacturing girls', children's, toddlers' and infants' dresses, blouses, and shirts from purchased woven or knit fabric.

SIC 2369 includes establishments primarily engaged in manufacturing girls', children's, toddlers' and infants' outerwear, not elsewhere classified, from purchased woven or knit fabric. It covers items such as coats, suits, playwear, swimwear, robes, jeans, headwear, etc.
It should be noted that coats and suits, previously listed as SIC 2363,is now combined with SIC 2369.

NOTE: Separate industry figures are not available on boys' wear, on children's underwear and nightwear manufacturers or on knitting mills. These are combined in industry data on men's and boys' manufacturers and women's and children's manufacturers, which are included in other FACT FILES covering specific apparel categories.

Plants manufacturing children's footwear are not reported on separately in industry statistics, but combined with information on plants making adult footwear. These plants are covered in the FOOTWEAR FACT FILE.

** Covers manufacturing establishments (plants) only, and each location is separately counted.

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

The value of industry shipments includes both primary and secondary products made by manufacturers in the industry, as well as receipts for contract work and miscellaneous receipts. The value of primary products made in this industry, as well as the value of these products made by secondary producers, is covered in the Product Shipments section of this FACT FILE.

Source: U.S. Bureau of the Census:
1987 Census of Manufactures (MC87-1-23C)
1988 Annual Survey of Manufactures

GENERAL INDUSTRY STATISTICS: APPAREL

Industry Shipments

The International Trade Administration has compiled estimates for 1989 and 1990 in both current dollars and in constant (1987) dollars to eliminate the effects of inflation.

In current dollars a 1.0% increase was estimated in shipment value of children's dresses and blouses in 1990 compared with 1989, in real terms the gain was 1.1%. Comparable figures for outerwear not elsewhere classified were reported at -2.3%, however no 1990 estimate was given in constant 1987 dollars.

Value of Specified Children's Wear Industry Shipments: 1988, 1989, 1990

	Millions of current $			% Change	
	1990(e)	1989(e)	1988	1990/89	1990/88
Dresses & blouses (SIC 2361)	$1,622	$1,606	$1,604	1.0%	1.1%
Outerwear, n.e.c. (SIC 2369)	2,164	2,215	2,070	-2.3	4.5

	Millions of constant 1987$			% Change	
				1990/89	1990/88
Dresses & blouses	$1,546	$1,529	$1,569	1.1%	-1.5%
Outerwear, n.e.c.	--	2,127	2,063	--	--

(e) estimated

Source: U.S. Dept. of Commerce, International Trade Administration: 1991 U.S. Industrial Outlook

Employment & Earnings

Employment levels dropped in both the children's outerwear, and girls' and children's dresses & blouses industries in 1989 vs. 1988, more sharply for outerwear in December 1990 compared to December 1989. Such declines reflect the deep inroads into U.S. markets made by imports, and the efforts made by domestic manufacturers to improve efficiency by streamlining and consolidating operations, according to the U.S. Industrial Outlook.

GENERAL INDUSTRY STATISTICS: APPAREL

Employment & Earnings (continued)

Employment & Earnings Trends in the Children's Outerwear Industry: 1988-1990

	December			Annual Average		
	1990(p)	1989	% Change 90/89	1989	1988(r)	% Change 89/88
All employees (thous.)	55.5	59.8	7.2%	58.9	59.3	-0.7%
Production workers (thous.)	46.7	49.9	-6.4	49.3	50.0	-1.4
Average						
Weekly earnings ($)	$229.36	$213.44	7.5	$210.53	$204.05	3.2
Hourly earnings ($)	$ 6.10	$ 5.80	5.2	5.69	5.48	3.8
Weekly hours	37.6	36.8	2.2	37.0	36.0	2.8
Girls' & children's dresses & blouses (SIC 2361)						
All employees (thous.)	22.8	23.0	-0.9	22.9	23.2	-1.3
Production workers (thous.)	19.9	19.9	--	19.8	20.2	-2.0
Average						
Weekly earnings ($)	$223.11	$205.63	8.5	$205.41	$197.28	4.1
Hourly earnings ($)	6.03	5.76	4.7	5.69	5.48	3.8
Weekly hours	37.0	35.7	3.6	36.1	36.0	0.3

(p) preliminary (r) revised

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

It should be noted that employment data compiled by the BLS and the Census Bureau differ somewhat due to differences in methodology.

Industry Concentration

Large plants, with 100 or more employees, represent only 19.2% of plants in the children's dress and blouse industry, but account for over 53% of the value added by manufacture, and 52.8% of total industry shipments. In the children's outerwear n.e.c. industry, 31% of plants employed 100 or more workers, and accounted for 77.4% share of the value added by manufacture, while ~~the~~ 30.4% of plants in this industry, employing under 20 employees, accounted for just 1.8% of value added by manufacture, and just 2% of industry shipments.

Children's Outerwear Plants By Employment Size: 1987

	Plants		Value Added By Manufacture		Industry Shipments	
	No.	%	(Mil. $)	%	(Mil. $)	%
Children's dresses & blouses (SIC 2361)						
Total Plants	454	100.0%	$790.4	100.0%	$1,518.6	100.0%
Employment Class						
Under 20	147	32.4	67.3	8.5	149.3	9.8
20 to 49	115	25.3	119.9	15.2	247.3	16.3
50 to 99	105	23.1	182.5	23.1	319.5	21.0
100 or more	87	19.2	420.8	53.2	802.5	52.8

(continued)

GENERAL INDUSTRY STATISTICS: APPAREL

Industry Concentration (continued)

Children's Outerwear Plants By Employment Size: 1987
(continued)

	Plants		Value Added By Manufacture		Industry Shipments	
	No.	%	(Mil. $)	%	(Mil. $)	%
Children's outerwear, n.e.c. (SIC 2369)						
Total plants	381	100.0%	$1,193.3	100.0%	$2,234.5	100.0%
Employment class:						
Under 20	116	30.4	21.5	1.8	44.4	2.0
20 to 49	72	18.9	67.3	5.6	138.9	6.2
50 to 99	75	19.7	181.1	15.2	336.7	15.1
100 or more	118	31.0	923.4	77.4	1,714.4	76.7

n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

Leading States

According to the 1987 Census of Manufactures, the number of children's wear plants has declined greatly compared with 1982 census data. New York State, however, continued to be the leading production center for the industry, with Pennsylvania and California also emerging as important centers.

Industry Statistics For Leading States: 1987

	All Plants		Employees		Value Added By Manufacture	
	Total	With 20+ Employees	No. (thous.)	% of total	Mil. $	% of total
Children's dresses & blouses, (2361) U.S. total	454	307	30.9	100.0%	$790.4	100.0%
Leading states:						
New York	104	52	3.4	11.0	161.1	20.4
Pennsylvania	65	54	4.8	15.5	103.1	13.0
California	50	27	*	--	(D)	--
North Carolina	33	29	*	--	(D)	--
Florida	29	20	1.9	6.1	45.5	5.8
New Jersey	29	17	1.2	3.9	28.4	3.6
Children's outerwear, n.e.c. (2369) U.S. total	381	265	40.8	100.0%	$1,193.3	100.0%
Leading states:						
New York	61	40	2.9	7.1	131.1	11.0
California	41	21	*	--	(D)	--
North Carolina	41	39	5.5	13.5	142.1	11.9
Pennsylvania	32	24	2.1	5.1	47.6	4.0
Florida	24	13	0.9	2.2	30.2	2.5
Georgia	24	20	**	--	(D)	--

(D) Data withheld to avoid disclosure.
* 1,000 to 2,499 employees ** 2,500 employees or more.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

APPAREL & FOOTWEAR PRODUCTION

Materials Consumed

The 1987 Census of Manufactures reports on the value of materials consumed by plants classified in specified children's wear industries. These figures are compared with 1982 census data, and are in current dollars.

Delivered Costs of Materials Consumed in the Production of Children's Wear: 1982, 1987

	Millions of dollars 1987	Millions of dollars 1982	% Change 1987/82
Girls', children's, infants'			
Dresses, blouses, shirts			
Materials, containers, supplies	$493.4	$438.5	12.5%
Broadwoven fabrics	220.4	131.4	67.7
Knit fabrics	147.9	134.6	9.9
All other materials, containers, & supplies	40.3	53.6	-24.8
Materials, conts., supplies, n.s.k.	84.7	118.9	-28.8
Outerwear, n.e.c.			
Materials, containers, supplies	822.4	458.8	79.3
Broadwoven fabrics	386.5	164.0	135.7
Knit fabrics	234.4	95.3	146.0
All other materials, containers, supplies	97.0	59.7	62.5
Materials, conts., supplies, n.s.k.	104.5	139.8	-25.3

n.e.c. not elsewhere classified
n.s.k. not specified by kind.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

Data on the quantity of U.S. output of infants', boys' and girls' wear is reported in the Current Industrial Reports issued quarterly and annually by the U.S. Bureau of the Census. All known manufacturers except very small concerns are surveyed for these reports. Jobbers are also included. Figures cover U.S. production plus garments assembled abroad and shipped back to U.S. cutters under the terms of Item 807 of the Tariff Schedule, by participating Caribbean Basin countries and Mexico. (Duty under this plan is paid only on the value added abroad.)

Garments manufactured entirely abroad and "sourced" by U.S. manufacturers are not included in the CIR reports. Some classifications are reported only in combination with adult apparel and cannot be included in this FACT FILE. The totals are, however, in appropriate FACT FILES covering adult wear.

APPAREL & FOOTWEAR PRODUCTION

Children's Wear

Children's Wear Production: 1988, 1989

	Thousands of Units		% Change
	1989	1988	1989/88
Dresses	51,578	47,012	9.7%
Girls', subteen, teenage	24,224	22,641	7.0
Children's, toddlers'	27,354	24,371	12.2
Skirts	11,546	8,921	29.4
Girls', subteen, teenage	6,060	5,532	9.5
Girls' sizes 2T to 4T, 4 to 6X	5,486	3,389	61.9
Blouses, shirts	Thousands of Dozens		
Woven:	2,464	2,820	-12.6
Girls', subteen, teenage	1,346	1,390	-3.2
Girls' sizes 2T to 4T, 4 to 6X	833	1,075	-22.5
Boys' sizes 2T to 4T, 4 to 7	285	355	-19.7
Knit:	12,336	12,555	-1.7
T-shirts and tank tops	4,950	4,421	12.0
Girls' subteen, teenage	2,031	1,829	11.0
Girls' sizes 2T to 4T, 4 to 6X	1,836	1,289	42.4
Boys' sizes 2T to 4T, 4 to 7	1,083	1,303	-16.9
Sweatshirts	1,101	1,088	1.2
Girls', subteen, teenage	367	388	-5.4
Girls' sizes 2T to 4T, 4 to 6X	399	382	4.5
Boys' sizes 2T to 4T, 4 to 7	335	318	5.3
Other knit shirts	6,285	7,046	-10.8
Girls', subteen, teenage	1,902	1,983	-4.1
Girls' sizes 2T to 4T, 4 to 6X	2,108	2,691	-21.7
Boys' sizes 2T to 4T, 4 to 7	2,275	2,372	-4.1
	Thousands of Units		
Coats, jackets, snowsuits	8,184	9,142	-10.5
Heavy:	2,310	2,417	-4.4
Girls', subteen, teenage	576	404	42.6
Girls', sizes 2T to 4T, 4 to 6X	1,158	1,157	0.09
Boys' sizes 2T to 4T, 4 to 7	567	856	-33.8
Lightweight:	5,874	6,725	-12.7
Girls', subteen, teenage	1,161	1,379	-15.8
Girls' sizes 2T to 4T, 4 to 6X	2,705	2,713	-0.3
Boys' sizes 2T to 4T, 4 to 7	2,008	2,633	-23.7
	Thousands of Dozens		
Sweaters	896	1,041	-13.9
Girls'	804	857	-6.2
Boys'	92	184	-50.0

(continued)

Children's Wear (continued)

Children's Wear Production: 1988, 1989
(continued)

	Thousands of Units		% Change
	1989	1988	1989/88
Trousers & slacks	27 651	33,390	-17.2%
Girls', subteen, teenage	10,162	8,567	18.6
Girls' sizes 2T to 4T, 4 to 6X	9,520	12,770	-25.5
Boys' sizes 2T to 4T, 4 to 7	7,969	12,053	-33.9
Jeans, dungarees	25,275	26,749	-5.5
Girls', subteen, teenage	12,123	14,196	-14.6
Girls' sizes 2T to 4T, 4 to 6X	3,789	4,767	-20.3
Boys' sizes 2T to 4T, 4 to 7	9,363	7,786	20.3
	Thousands of Dozens		
Separate sweat pants	919	915	0.4
Girls' subteen, teenage	232	255	-9.0
Girls' sizes 2T to 4T, 4 to 6X	296	291	1.7
Boys' sizes 2T to 4T, 4 to 7	391	369	6.0
Overalls, coveralls	922	1,087	-15.2
Girls' subteen, teenage	31	79	-60.8
Girls' sizes 2T to 4T, 4 to 6X	417	446	-6.5
Boys' sizes 2T to 4T, 4 to 7	474	562	-15.7
Shorts	5,212	5,271	-1.1
Girls' subteen, teenage	1,911	1,996	-4.3
Girls' sizes 2T to 4T, 4 to 6X	2,029	1,862	9.0
Boys' sizes 2T to 4T, 4 to 7	1,272	1,413	-10.0
Playgarments, including playsuits, halter tops, rompers, total	2,027	2,059	-1.6
Girls', subteen, teenage	825	869	-5.1
Girls' sizes 2T to 4T, 4 to 6X	1,036	1,042	-0.6
Boys' sizes 2T to 4T, 4 to 7	166	148	12.2
Jogging suits	1,651	1,194	38.3
Girls', subteen, teenage	212	472	-55.1
Girls' sizes 2T to 4T, 4 to 6X	723	416	73.8
Boys' sizes 2T to 4T, 4 to 7	716	305	134.8
Swimsuits	807	673	19.9
Girls', subteen, teenage	319	305	4.6
Girls' sizes 2T to 4T, 4 to 6X	341	273	24.9
Boys' sizes 2T to 4T, 4 to 7	147	95	54.7

(continued)

Children's Wear (continued)

Children's Wear Production: 1988, 1989
(continued)

	Thousands of Doz.		% Change
	1989	1988	1989/88
Underwear and nightwear			
Underwear	18,962	18,378	3.2%
Panties including pettipants, etc.	9,515	10,762	-11.6
Girls', subteen, teenage	6,092	5,872	3.7
Girls' sizes 2T to 4T, 4 to 6X	3,042	3,359	-9.4
Boys' sizes 2T to 4T, 4 to 7	381	1,531	-75.1
Slips	(D)	269	--
Girls' sizes 7 to 16	(D)	184	--
Girls' sizes 2T to 4T, 4 to 6X	43	85	-49.4
Other underwear	--	1,699	--
Girls' sizes 7 to 16	496	206	140.8
Girls' sizes 2T to 4T, 4 to 6X	(D)	(D)	--
Boys' sizes 2T to 4T, 4 to 6X	(D)	(D)	--
Nightwear, excluding robes	7,045	7,639	-7.8
Girls' nightgowns, sizes 7 to 16	559	680	-17.8
Girls' pajamas, sizes 7 to 16	1,194	1,238	-3.6
Boys' pajamas sizes 2T to 4T, 4 to 7	511	1,212	-57.8
Girls' nightgowns and pajamas sizes 2T to 4T, 4 to 6X	1,400	1,257	11.4
Robes, girls' and children's	121	128	-5.5
Infants' wear (separately reported items)			
Pajamas, nightgowns, sleep sacks, blanket sleepers	3,381	3,252	4.0
Underwear, including panties, slips, undershirts	7,814	6,332	23.4
Dresses	816	757	7.8
Blouses and shirts	1,711	1,721	-0.6
Woven	252	280	-10.0
Knit	1,459	1,441	1.2
Coats, jackets, snowsuits	42	37	13.5
Pants, shorts, overall, coveralls	1,519	1,368	11.0
Playclothing, creepers, rompers, etc.	2,954	2,535	16.5
Boxed sets	787	677	16.2
Sweaters	71	69	2.9

na not available
(D) Withheld to avoid disclosure

Source: U.S. Bureau of the Census, Current Industrial Reports: Apparel MA23A (89)-1

APPAREL & FOOTWEAR PRODUCTION

Diapers

Production of Infants' Diapers: 1988, 1989

	Thousands of Dozens 1989(e)	Thousands of Dozens 1988	% Change 1989/88
Diapers, total*	5,375	4,327	24.2%
Birdseys	3,197	2,674	19.6
All other	2,178	1,653	31.8

(p) preliminary

* Excludes knit diapers, diapers and diaper liners made from paper and/or nonwoven fabrics.

Source: National Cotton Council of America: Cotton Counts Its Customers (1990 Edition)

Until quite recently, the popularity of the disposable, introduced nearly 30 years ago, made the cloth diaper nearly obsolete. Cloth has made a comeback, however, as environmentalists spread the message that disposables will clog landfills for generations to come. Preliminary figures on cotton diaper production shows a 24.2% increase over 1988. Most are 100% cotton, with elastic around legs, and Velcro closures so pins no longer have to be used.

Disposable diapers, a $3.5 billion industry in 1989, still account for 85% of the total diaper market. Proctor & Gamble holds a 50% share, with its Pampers (25.5%) and Luvs (24.5%) brands. Huggies, a product of Kimberly Clark Corporation, holds a 32.5% share, according to the Wall Street Journal, as other private labels have 17.5% of the market.

Boys' Wear

Specific types of boys' wear above size 7 are reported as shown below by the Census Bureau. Items not shown are generally combined in men's wear data.

Production of Specified Types of Boys' Wear: 1988, 1989

	Thousands of Units 1989	Thousands of Units 1988	% Change 1989/88
Suits, incl. casual & uniform	1,800	2,604	-30.9
Overcoats, topcoats, tailored suburban & car coats, incl. uniform	133	123	8.1
Tailored suit-type dress & sport coats, incl. uniform	911	1,278	-28.7

(continued)

APPAREL & FOOTWEAR PRODUCTION

Boys' Wear (continued)

Production of Specified Types of Boys' Wear: 1988, 1989
(continued)

	Thousands of Units		% Change
	1989	1988	1989/88
Separate dress and sport trousers, incl. uniform	13,958	15,264	-8.6%
Jeans & dungarees	41,016	43,049	-4.7
Jean-cut casual slacks	12,476	11,766	6.0
Shorts, including athletic shorts	16,525	18,382	- 10.1
Athletic shorts	7,472	9,662	- 22.7
Nontailored heavy outer jackets except ski	1,165	1,550	-24.8
Nontailored light outer jackets	1,643	2,554	- 35.7
	Thousands of Dozens		
Woven shirts, including dress & uniform	1,075	1,323	-18.7
T-Shirts and Tank Tops made for outerwear, including long sleeve T-Shirts	7,493	6,156	21.7
Other knit sport shirts, except sweat shirts*	2,366	3,165	-25.2
Sweaters, including sweater vests, knit cardigans & pullovers	159	469	-66.1
Pajamas and other nightwear, excluding robes	1,302	1,351	-3.6
Lightweight undershirts with 1/4 sleeve, excluding T-shirts made for outerwear	4,613	4,170	10.6
Knit briefs & shorts	12,407	11,492	8.0

* Sweat shirts for boys are combined with men's sweat shirts.
Note: Apparel for little boys is reported in the table on Children's Wear.

Source: U.S. Bureau of the Census:
Current Industrial Reports: Apparel MA23A (89)-1

Hosiery

Production of infants' and children's hosiery increased 23.2% in 1989 from 1988, and 38.8% from 1987. All reported categories rose over 1988, except knee highs, which dropped 14.9%. The highest growth occurred in the production of the mid-calf/crew styles, where the top of the sock extends beyond ankle length and not beyond the largest part of the calf, and includes all types of hosiery, such as half-hose, dress socks, and athletic socks.

Hosiery (continued)

Production of Infants' & Children's Hosiery

	Thous. dozen pairs			% Change	% Change
	1989	1988	1987	1989/88	1989/87
Hosiery, (infants' & children's) total*	41,125	33,388	29,631	23.2%	38.8%
Footsocks	404	561	522	-28.0	-22.6
Anklet	21,371	17,003	16,929	25.7	26.2
Mid-calf/crew	14,880	10,853	7,855	37.1	89.4
Knee-highs	3,361	3,950	3,331	-14.9	0.9
Stockings	--	3	11	--	--
Waist-highs	1,109	1,018	983	8.9	12.8

* Includes sizes 3 to 8 1/2

Note: Girls' hosiery is included in women's hosiery figures. For details on the hosiery industry see the Fairchild HOSIERY/LEGWEAR FACT FILE.

Source: National Association of Hosiery Manufacturers: 1989 Hosiery Statistics (Annual Reports)

Estimated Production of Boys' Hosiery, 1988, 1989

	Thous. dozen pairs		% Change
	1989	1988	1989/88
Boys' hosiery, total*	13,241	10,558	25.4%
Footsocks	117	23	408.7
Anklets	3,647	596	511.9
Mid-calf/crew	5,184	3,967	30.7
Knee-highs	4,293	5,972	-28.1

* Sizes 8 to 11

Source: Estimates based on National Association of Hosiery Manufacturers' special hosiery surveys.

Footwear

Monthly Census Bureau reports for 1990, indicate a 2.5% rise in juvenile footwear production during the first ten months of 1990 versus that of 1989. Not included is footwear with rubber or plastic soles and fabric uppers, which constitutes a major share of the juvenile shoe market.

Footwear Industries of America (Washington, DC) has compiled preliminary estimates on production by shoe type in the nonrubber classification for 1989, based on Census Bureau reports. The biggest drop was noted in the production of infants' and babies footwear.

Footwear (continued)

Estimated Production of Juvenile Nonrubber Footwear
By Type in 1989 Compared With 1988
(Thousands of pairs)

	1989	1988	% Change 1989/88
Juvenile footwear	22,831	24,545	-7.0%
Youth's & boys'	2,707	2,692	0.6
Children's	6,310	6,710	-6.0
Infants' & babies'	13,814	15,143	-8.8

Source: FIA based on Census Bureau data

Note: General industry statistics and other details on footwear are covered in the Fairchild FOOTWEAR FACT FILE.

APPAREL & FOOTWEAR SHIPMENTS

The value of shipments covered in this section represents the total value of specified products produced by all industries, regardless of the plant's SIC classification. It includes both primary and secondary producers. (This is in contrast with "industry shipments" previously covered, which include all products and miscellaneous receipts of only those plants classified within the specified SIC.)

Data from the 1987 Census of Manufactures compares shipment totals for the census years 1987 and 1982. The annual survey of manufactures conducted by the Census Bureau among a sample of manufacturers, provides a summary of value of shipments of broad classifications, shown for 1988.

Shipments of reported children's/girls' wear rose 25.2% in value in 1987 vs. 1982, but fell 0.1% vs. 1988. Most of the listed categories registered declines in value of shipments in 1988. (Figures are in current dollars, not adjusted for inflation).

Value of Shipments of Specified Children's, Girls' & Boys' Wear:
1982, 1987, 1988
(Millions of dollars)

	1988	1987	1982	% Change 88/87	% Change 87/82
Girls', children's, infants', reported total	$3,533.2	$3,567.3	$2,850.4	-1.0%	25.2%
Dresses & blouses & shirts	1,621.5	1,607.5	1,433.2	0.9	12.2
Knit shirts & blouses*	533.2	557.9	(na)	-4.4	--
Woven shirts & blouses	173.5	187.9	(na)	-7.7	--
Dresses	613.5	572.3	(na)	7.2	--
Commission work on dresses, blouses & shirts	239.5	225.8	208.7	6.1	8.2
Dresses, blouses & shirts, n.s.k.	61.7	63.6	77.4	-3.0	-17.8

(continued)

Value of Shipments of Specified Children's, Girls' & Boys' Wear: 1982, 1987, 1988

(Millions of dollars)
(continued)

	1988	1987	1982	% Change 88/87	% Change 87/82
Girls', children's & infants'					
Outerwear, n.e.c.	$1,911.7	$1,959.8	$1,407.2	-2.5%	39.3%
Coats & suits	148.8	142.6	171.5	4.3	-16.9
Outerwear, n.e.c.	1,500.1	1,519.7	1,012.1	-1.3	50.2
Contract & commission receipts	172.1	229.4	155.6	-25.0	47.4
Outerwear, n.e.c., n.s.k.	90.7	68.2	68.0	33.0	0.3
Boys' suits, coats, tailored jackets & tailored vests	102.0	84.4	148.2	20.9	-43.0

* Knit shirts made in knitting mills are not included; nor are any garments made within knitting mills included in totals in the above table.

n.e.c. not elsewhere classified
n.s.k. not specified by kind

Source: U.S. Bureau of the Census:
1987 Annual Survey of Manufactures,
1988 Census of Manufactures

The Current Industrial Reports Series is based on reports from manufacturers, government contractors and jobbers in the U.S., except very small firms (usually less than 5 employees). Included in the figures reported are garments cut in the U.S., sent outside the country to be sewn, then imported into the U.S. under the provisions of Item 807 of the Tariff Schedule. Not included are apparel items manufactured entirely abroad and "sourced" by U.S. manufacturers.

The CIR reports are more detailed than the reports from the annual surveys of manufactures, with data on most major items of apparel; and including apparel made in knitting mills. Accessory items, leather apparel and hosiery are not included, however. Total value of shipments for all reported girls', children's and infants' wear reached $3.5 billion in 1989, 1.1% lower than in 1988.

APPAREL & FOOTWEAR SHIPMENTS

Children's/Girls'/Infants' Apparel

Value of Shipments of Specified Types of Children's Wear: 1988, 1989
(Millions of dollars)

	1989	1988	% Change 1989/88
Girls', children's, toddlers' & infants' wear, total reported	$3,522.6	$3,560.8	-1.1%
Girls', children's & toddlers' wear	2,977.7	3,088.4	-3.6
Dresses	498.7	474.0	5.2
Coats, jackets, snowsuits	109.4	124.8	-12.3
Heavyweight**	41.9	44.1	-5.0
Lightweight**	67.5	80.7	-16.4
Blouses, shirts,	704.3	791.9	-11.1
Woven blouses & shirts**	169.7	176.4	-3.8
Knit blouses & shirts**	534.6	615.5	-13.1
T-shirts & tank tops**	199.1	208.7	-4.6
Sweatshirts**	51.0	50.9	0.2
All other**	294.1	355.9	-17.4
Sweaters*	81.6	87.3	-6.5
Skirts, pants, jeans, overalls	592.7	633.4	-6.4
Skirts	80.6	70.1	15.0
Pants, including jean-cut casual slacks	149.9	189.4	-20.9
Jeans & dungarees	195.3	209.2	-6.6
Overalls, coveralls*	101.5	128.3	-20.9
Separate sweat pants*	65.4	36.4	79.7
Shorts	167.7	157.0	6.8
Activewear*	172.3	155.3	10.9
Swimsuits	58.9	50.5	16.6
Jogging suits	113.4	104.8	8.2
Playgarments			
Playsuits, halter tops, rompers, etc.	99.4	99.7	-0.3

(continued)

APPAREL & FOOTWEAR SHIPMENTS

Children's/Girls'/Infants' Apparel (continued)

Value of Shipments of Specified Types of Children's Wear-1988, 1989
(Millions of dollars)
(continued)

	1989	1988	% Change 1989/88
Girls', children's, toddlers' wear, (continued)			
Underwear, nightwear, robes	337.1	321.3	4.9%
Underwear	184.2	194.2	-5.1
Girls' sizes 7 to 16			
Panties, pettipants	48.0	38.2*	25.7
Slips	(D)	6.5	--
Other underwear	10.6	3.4	211.8
Girls' sizes 2T to 4T, 4 to 6X			
Panties	28.9	30.0	-3.7
Slips	1.9	3.8	-50.0
All other underwear	(D)	(D)	--
Infants underwear, (incl. panties, slips, and undershirts)	74.5	86.3	-13.7
Boys' sizes 2T to 4T, 4 to 7 underpants	4.6	16.7	-72.5
Nightwear, excluding robes	352.2	356.6	-1.2
Girls' sizes 7 to 16			
Nightgowns	45.8	44.1	3.9
Pajamas	46.2	52.5	-12.0
Girls' sizes 2T to 4T, 4 to 7	78.8	67.9	16.1
Boys' sizes 2T to 4T, 4 to 7	30.3	59.9	-49.4
Robes	15.2	14.2	7.0
Infants' wear, total reported	544.9	472.4	15.3
Dresses	73.4	66.0	11.2
Blouses, shirts:	107.6	109.5	-1.7
Woven	20.8	24.1	-13.7
Knit	86.8	85.4	1.6
Sweaters	3.4	5.6	-39.3
Coats, jackets, snowsuits	4.2	3.3	27.3
Pants, shorts, overalls, coveralls	92.0	77.4	18.9
Playclothing, creepers, rompers, etc.	204.5	163.1	25.4
Boxed sets	59.8	47.5	25.9
Nightwear	144.8	138.5	4.5

(D) withheld to avoid disclosure
* Includes girls' sizes 2T to 4T and 4 to 6X, and boys' sizes 2T to 4T and 4 to 7, as well as any other size designation specifically mentioned.
**Includes girls' sizes 7 to 14, 2T to 4T, 4 to 6X

Source: U.S. Bureau of the Census,
Current Industrial Reports: Apparel MA-23A(89)-1

Boys' Wear

Shipments of Specified Types of Boys' Wear: 1988, 1989
(Value in millions of dollars)

	1989	1988	% Change 1989/88
Boys' wear, total of specified categories*	$1,506.4	$1,560.9	-3.5%
Suits, including casual & uniform	53.1	79.7	-33.4
Overcoats, topcoats, & tailored suburban & car coats, including uniform	3.7	3.4	8.8
Tailored suit-type dress & sport coats, including uniform	22.2	25.9	-14.3
Nontailored heavy outer jackets, except ski	29.7	34.2	-13.2
Nontailored light outer jackets	20.1	39.7	-49.4
Shirts, woven including dress & uniform	66.6	74.5	-10.6
Sweaters including sweater vests, knit cardigans & pullovers	16.3	31.1	-47.6
T-shirts, tank tops, made for outerwear (incl. long sleeve T-shirts)	208.4	175.7	18.6
All other knit shirts, except sweatshirts	122.0	150.1	-18.7
Shorts, trousers, jeans & jean-cut casual slacks	688.7	693.3	-0.7
Separate dress & sport trousers, including uniform	102.7	103.3	-0.6
Jeans & dungarees	401.1	422.8	-5.1
Jean-cut casual slacks	104.8	94.2	11.3
Shorts, including athletic shorts	80.1	73.0	9.7
Underwear, nightwear	275.6	253.3	8.8
Pajamas & other nightwear, excluding robes	85.5	83.3	2.6
Lightweight undershirts with 1/4 sleeve, excluding T-shirts made for outerwear	63.3	52.9	19.7
Briefs and shorts, knit (other types of underwear/nightwear are included with men's)	126.8	117.1	8.3

na not available

* The total includes only boys' wear included in the Current Industrial Report series on apparel, listed as the source, except little boys' sizes 2T to 4T and 4 to 7, which are reported in children's wear. Not included are hosiery shipments, accessories, gloves, leather apparel, hats, etc.

NOTE: The Current Industrial Report covers manufacturers, government contractors, and jobbers of apparel, except very small firms (generally less than five employees). Apparel made in knitting mills is included. Also included in the CIR are garments cut in the U.S., sent outside the country to be sewn, then imported into the U.S. under the provisions of Item 807 of the Tariff Schedule. Not included are apparel items wholly made abroad and "sourced" by U.S. manufacturers.

Source: U.S. Bureau of the Census, Current Industrial Reports: Apparel MA23A(89)-1

APPAREL & FOOTWEAR SHIPMENTS

Footwear

Monthly Census Bureau reports on juvenile footwear in 1990 (preliminary papers) indicate an overall increase in production compared to 1989.

The quantity and value of nonrubber juvenile footwear shipments by U.S. manufacturers, not including athletic footwear (or rubber/plastic footwear such as sneakers), was reported as follows for 1989 vs. 1988:

Quantity and Value of Nonrubber Juvenile Footwear, Except Athletic Shipments: 1988, 1989
(Quantity in thousands of pairs; value in thousands of dollars)

	Quantity		% Change	Value		% Change
	1989	1988	1989/88	1989	1988	1989/88
Total	23,555	24,827	-5.1%	$173.8	$189.9	- 8.5%
Youths', boys'	2,362	2,554	-7.5	22.2	25.9	-14.3
Children's	6,285	6,981	-10.0	72.4	80.1	-9.6
Infants', babies	14,908	15,292	-2.5	79.2	83.9	-5.6

Source: U.S. Bureau of the Census, Current Industrial Reports: Footwear, 1989 Series MA31A

In 1989, all classifications of juvenile footwear registered a decline in value of shipments by U.S. manufacturers, compared to the previous year. The category overall fell 8.5%.

The sharpest drop occurred in youths', boys' sizes, which were down 14.3% in value. As noted, however, production was up in 1990 according to preliminary information.

Estimates on overall new supply of juvenile footwear--including U.S. production, less exports, plus imports--and the share accounted for by imports, have been compiled by Footwear Industries of America, as noted below:

Import Penetration: Juvenile Footwear New Supply

	1990	1989	1988	1987
Juvenile footwear supply (mil. pairs)	158.4	150.6	132.4	135.4
Import penetration (%)	83.8%	84.0%	79.4%	80.0%

Source: Footwear Industries of America

APPAREL & FOOTWEAR PRODUCER (Factory) PRICE TRENDS

According to the Bureau of Labor Statistics, factory prices rose for all listed children's wear categories, except boys' dress and sport trousers, which fell just 0.8% in November 1990 versus November 1989. Knit sport and sweat shirts, leather footwear, and other outerwear n.e.c. registered the highest increases. The overall jump in prices was also reported for annual 1989 levels, compared with 1988.

U.S. Producer (Factory) Price Indexes for Specified Children's Apparel & Footwear

	Base period = 100	November 1990	November % Change 1990/89	Annual Average 1989	Annual Average % Change 1989/88
Industrial commodities, total	1982*	120.6	7.6%	111.6	5.0%
All apparel	1982*	117.9	2.1	114.5	2.5
Reported children's items:**					
Boys' dress & sports trousers	1982*	99.1	-0.8	99.5	3.9
Girls', children's, infants'	1982*	115.5	4.4	110.5	2.8
Dresses/blouses/shirts, excl. knit sport & sweatshirts	12/84	117.2	2.4	111.8	3.0
Knit sport & sweatshirts	12/84	110.0	9.3	105.9	3.3
Other outerwear, n.e.c.	12/84	104.1	7.0	97.2	-0.1
Hosiery:					
Anklets	6/84	109.1	2.0	107.0	0.9
Knee-highs	1982*	na	--	104.5	0.5
Other hosiery	6/84	103.3	-0.1	102.6	0.4
Underwear	6/82	139.6	2.6	133.5	4.7
Nightwear	6/82	123.9	3.7	119.0	4.5
Footwear:					
Children's (size 8 1/2-12)	1982*	131.3	4.9	123.5	6.7
Leather upper	1982*	140.5	7.1	129.7	8.0
Non-leather uppers	1982*	na	na	121.5	na
Youths', boys' (size 12 1/2-6)	1982*	128.9	0.6	126.0	10.7
Infants', babies (size 1-8)	1982*	128.4	3.7	122.6	4.3
Leather upper	1982*	133.5	4.4	126.3	5.0
Non leather upper	1982*	118.5	0.8	117.6	na

na not available

* 1982 monthly average = 100.
**Other items are combined by the BLS with women's wear or men's wear.

Source: U.S. Bureau of Labor Statistics: Producer Price Indexes (covering commodity groupings and individual items)

FOREIGN TRADE: APPAREL

A weak U.S. economy contributed to the modest decline in imports of all apparel in 1990, according to WWD. Domestic companies absorbed the bulk of this drop-off in consumer demand, however, as they faced import competition from developing Asian countries, where an abundant supply of relatively low-cost labor exists. According to the U.S. Industrial Outlook, in 1990, China, Hong Kong and the Philippines accounted for approximately half of the growth in the value of imports for all apparel.

Several factors will sustain the importance of international trade in apparel. These include the emergence of the U.S.-Mexico free trade agreement, the development of market-oriented economies in Eastern Europe, and the formal removal of trade barriers between 12 European countries in 1992.

The unification of the European market, as well as the desire to broaden consumer and retail markets, has prompted many leading children's wear manufacturers and importers to launch new business ventures with European apparel firms, according to Children's Business. Manufacturers such as Osh Kosh B Gosh and Bull Frog, are seeking to establish partnerships, enabling them to produce and distribute their children's apparel in Europe, where American brands are currently popular. Other firms, such as Kidco Enterprises and Good Lad, have formed licensing agreements with European countries, enabling them to help produce European brands for distribution in the U.S. and Canada.

Much of the growth in U.S. apparel exports, specifically to Mexico, Central America, and the Caribbean, can be attributed to the tariff provision 9802, (formerly 807), which allows shipments of apparel parts to these countries, where they are finished, and then reimported into the U.S. market with duty charged only on the foreign value added. Canada and Japan have also become important export markets.

The U.S. Bureau of the Census does not distinguish children's wear import and export data from totals recorded for all women's and men's wear products. The combined values are covered in specific WOMEN'S and MEN'S WEAR FACT FILES.

The International Trade Administration, however, does report on the value of imports and exports of children's wear, as follows.

Trends in Value of Imports & Exports
(Value in millions of dollars)

	1990	1989	% Change 1990/89
Children's Outerwear (SIC 2369)			
Value of imports	$102.0	$81.1	25.8%
Value of exports	20.9	33.5	-37.6

Source: U.S. Department of Commerce,
International Trade Administration:
1991 U.S. Industrial Outlook

CONSUMER EXPENDITURES FOR APPAREL & FOOTWEAR

Estimates based on the Bureau of Economic Analysis (Department of Commerce), cover personal consumption expenditures, which is the total value of merchandise reaching the consumer through any channel, (including retail outlets, manufacturers, wholesalers, street vendors, employers, etc.). Preliminary 1989 figures show the personal consumption expenditures for boys' apparel and footwear at $10.7 billion, 6.5% higher than in 1988. Expenditures for girls' and children's apparel and footwear totaled $22.9 billion, up 6.9% over 1988.

Parents aged 25 to 34 spend the greatest amount of money on infant clothing, approximately double the average amount, according to the Bureau of Labor Statistics. Those aged 35 to 44, however, are the biggest spenders for children's clothing.

An on-going survey of household spending is conducted by the U.S. Department of Labor, Bureau of Labor Statistics, through diaries and interviews. Information on juvenile apparel purchases of all types is collected through interviews among a representative sample of consumer units (households) each quarter. 1989 survey results were projected to 95,818,000 U.S. consumer units, including in the base both purchasers and non-purchasers. (A consumer unit is roughly equivalent to a household, but not exactly, as a household member with independent income and spending patterns is separately counted in the consumer unit count, but not in the household count as defined by the Census Bureau.)

Differences in juvenile apparel spending patterns by regions in the U.S., noted in the 1989 annual interview surveys, showed average expenditures for most boys', girls' and infants' categories were highest in the West, although only 20.3% of consumer units were located in this region. The Northeast followed with the second highest expenditures, then the South, and finally the Midwest.

Distribution of Household Spending By Type of Juvenile Apparel: 1989

Apparel for boys age 2-15 years:		Apparel for girls age 2-15 years:	
Total	100.0%	Total	100.0%
Coats, jackets	9.3	Coats, jackets	7.3
Sweaters	5.9	Blouses, shirts, sweaters	26.3
Suits, sport coats, vests	1.4	Dresses, suits	13.9
Pants	28.5	Skirts, pants	17.0
Shorts, short sets	6.9	Shorts, short sets	7.3
Sportswear and uniforms	7.8	Sportswear	10.6
Other clothing	0.8	Underwear, sleepwear	6.7
Shirts	24.3	Hosiery	5.3
Underwear	3.0	Accessories	3.5
Nightwear	2.9	Uniforms	1.3
Hosiery	4.5	Other clothing	0.9
Accessories	4.8		

(continued)

Distribution of Consumer Spending By Type of Juvenile Apparel: 1989
(continued)

Apparel for children under 2 years:	
Total	100.0%
Coats, jackets, snowsuits	4.9
Underwear	58.5
Dresses, outerwear	24.3
Nightwear, loungewear	5.7
Accessories	5.8
Hosiery	0.8

Source: Based on Consumer Expenditure Surveys,
Bureau of Labor Statistics:
Interview Survey 1989

Spending Patterns of Consumer Units for Juvenile Apparel By Region: 1989

	U.S.	Northeast	Midwest	South	West
Distribution of consumer units (households)					
Number (000)	95,818	20,101	24,351	31,935	19,430
Percent of U.S. total	100.0%	21.0	25.4	33.3	20.3
Average Expenditures:*					
Apparel for boys 2-15 Yrs.					
Total	$73.96	$70.84	$61.34	$74.46	$92.19
Coats, jackets	6.85	8.11	5.06	6.06	9.07
Sweaters	4.36	5.28	4.68	3.97	3.66
Suits, sport coats, vests	1.02	1.36	1.09	1.27	.14
Pants	21.05	16.60	21.18	21.53	24.76
Shorts, short sets	5.07	4.76	2.18	4.43	10.04
Sportswear, uniforms	5.75	6.70	5.87	5.26	5.41
Other clothing	.62	.63	.24	.93	.58
Shirts	18.00	19.66	12.64	18.92	21.49
Underwear	2.25	1.30	1.00	2.50	4.37
Nightwear	2.14	2.87	1.79	1.26	3.26
Hosiery	3.30	2.27	2.64	3.62	4.68
Accessories	3.55	1.29	2.96	4.72	4.72

(continued)

CONSUMER EXPENDITURES FOR APPAREL & FOOTWEAR

Spending Patterns of Consumer Units For Juvenile Apparel
By Region: 1989
(continued)

	U.S.	Northeast	Midwest	South	West
Average expenditures*					
Apparel for girls age 2-15 Yrs.					
Total	$93.21	$100.02	$80.24	$90.30	$107.12
Coats, jackets	6.85	8.05	8.41	5.66	5.59
Blouses, shirts, sweaters	24.49	24.06	18.74	24.60	31.98
Dresses, suits	12.93	14.51	9.94	13.12	14.74
Skirts, pants	15.85	15.22	16.25	16.75	14.52
Shorts, short sets	6.84	6.89	6.69	6.81	7.02
Sportswear	9.84	15.62	6.34	8.45	10.48
Underwear, sleepwear	6.20	6.07	6.25	5.30	7.77
Hosiery	4.90	5.07	3.54	4.33	7.37
Accessories	3.23	2.05	2.85	3.12	5.13
Uniforms	1.24	1.29	.61	1.06	2.28
Other clothing	.82	1.19	.63	1.10	.24
Apparel for children under 2 Yrs.					
Total	72.33	72.74	61.07	64.31	99.21
Coats, jackets, snowsuits	3.55	5.92	2.41	2.04	5.01
Underwear	42.29	39.04	34.44	37.40	63.50
Dresses, outerwear	17.57	17.94	16.75	16.76	19.56
Nightwear, loungewear	4.10	4.83	3.90	3.41	4.71
Accessories	4.23	4.46	3.18	4.09	5.55
Hosiery	.59	.57	.40	.59	.88

* Average expenditures are based on the Survey Universe including both purchasers and non-purchasers.

Source: Division of Consumer Expenditure Surveys,
Bureau of Labor Statistics: Interview Survey, 1989

In addition to the above government source, trade estimates from a number of sources, including consumer purchase tracking studies by independent research organizations and surveys by research companies available for publication, have been drawn on to provide further information on purchasing patterns in relation to juvenile apparel and other products. These are covered in the CONSUMER PURCHASE PATTERNS section.

APPAREL/FOOTWEAR RETAIL PRICE TRENDS

In the December 1990 Consumer Price Index, the Bureau of Labor Statistics reported the index on infants' and toddlers' wear stood at 125.6 (or 25.6% above the base period 1982-1984 which equals 100). This index was also above the base period for girls' wear, boys' wear, and footwear.

Consumer prices in December 1990 vs. December 1989 rose 8.9% for infants' and toddlers' wear, 3.7% for footwear, 3.5% for girls' wear, and 1.4% for boys' wear. Prices also increased for these categories in full year 1989 compared with 1988 and 1987. The rise in the prices of imports, plus the higher costs of materials, are major factors contributing to the price increases for all apparel.

APPAREL/FOOTWEAR RETAIL PRICE TRENDS

Consumer Price Indexes For Children's Wear & Footwear (1982-84 = 100)

	Dec. 1990	Annual Average 1989	Annual Average 1988	Annual Average 1987	% Change Dec. 90/89	% Change Year 89/88
Apparel						
Infants' & toddlers' wear	125.6	119.1	116.4	112.1	8.9%	2.3%
Girls' wear	120.2	115.5	112.6	107.6	3.5	2.6
Boys' wear	113.0	116.4	114.9	103.9	1.4	1.3
Footwear, boys' & girls'	122.9	109.0	104.5	105.6	3.7	4.3

Source: U.S. Department of Labor, Bureau of Labor Statistics

RETAIL TRADE

Consumers spent more for children's wear in 1989 in discount department stores than in any other retail outlet, according to a national survey conducted for Discount Store News, by Leo J. Shapiro & Associates. Sears, J.C. Penney, K-mart and Wal-Mart were the leaders in this category.

Specialty stores are also becoming increasingly important outlets for children's and infants' wear, and although currently accounting for a small portion of this market, they have become the fastest growing segment, according to Stores Magazine. From large chains, such as Kids "R" Us, to smaller specialists, such as Benetton 012, they are expanding into new market areas, and capturing market share.

The Kids "R" Us chain, owned by Toys "R" Us, experienced substantial growth in sales volume, due to its ability to offer lower prices for brand-name merchandise. Within the last three years, the number of stores in this chain has more than tripled, its current 137 stores can quadruple by 1996 or 1997, according to Children's Business.

Other specialty stores, such as the Gap's GapKids, and The Limited's Limited Too, have also been very successful. GapKids has been steadily gaining market share, and has become the fastest-growing area of the Gap's business. It is continuing its expansion into children's clothing sales, by rolling out babyGap infants' departments in GapKids stores, selling clothing and accessories for babies sizes newborn to 24 months.

Stores such as Esprit Kids, Benetton 012, and Laura Ashley's Mother & Child shops are all relatively new concepts. Much of the success of these stores comes from the fashion-minded baby boomers' enjoyment of shopping at offsprings of their favorite retailers, where they are already familiar with the merchandise.

RETAIL TRADE

McKids, a chain of children's apparel stores, formed by a licensing partnership between Sears and McDonald's Corp., has not been quite as successful, however. This chains 47 free-standing stores are closing after a two year test period, although the McKids line will still be sold in Sears stores and in its catalog, according to Advertising Age. Bureaucracy, and the image that consumers have of Sears, were cited as reasons for this chain's failure.

Specialty retailers may become more important as vendors experience problems dealing with shaky department stores. Department stores are increasingly promotional in children's departments, and many focus on high-end lines.

The following tables, based on data from the 1987 Census of Retail Trade, U.S. Bureau of the Census, show developments in children's wear retailing since the last census in 1982. Each store location is separately counted, regardless of ownership, and leased departments are counted as separate stores.

The number of specified retail outlets with their sales is reported below for those selling infants', toddlers' and girls' clothing.

Sales of Children's Wear Separately Reported For Key Retail Outlet Types: 1987

	Establishments		Reported Sales	
	Number	%	Thous. $	%
Infants', toddlers', girls', subteens' clothing & access.*	30,902	100.0%	$9,282,704	100.0%
Department stores	9,644	31.2	6,445,766	69.4
Conventional	2,361	7.6	2,188,724	23.5
National chain	1,797	5.8	1,594,648	17.2
Discount/mass merchandising	5,486	17.8	2,662,394	28.7
Children's/infants' wear stores	5,995	19.4	1,360,235	14.7
Family clothing stores	10,483	33.9	1,250,191	13.5
Women's clothing stores	4,780	15.5	226,522	2.4

* Includes infants' & toddlers' wear & footwear, girls' wear (sizes 9-14), subteens' wear (sizes 6-16).

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

Children's & Infants' Wear Stores

The number of children's and infants' wear stores, and their sales volume, has grown since the last 1982 census. Of total children's and infants' wear stores, 97.5% sell clothing and accessories for infants', girls' and toddlers', while 70.8% carry boys' and young men's items.

Children's & Infants' Wear Stores (continued)

Children's & Infants' Wear Stores: 1987

			% of total sales of	
	Estabs.	Sales	Stores Selling line	All Stores
Number of stores, total	6,146	$2,101,471	--	100.0%
Stores selling infants', toddlers', girl's & subteen clothing & accessories	5,995	1,360,235	66.1%	64.7
Stores selling boys' & young men's wear & accessories	4,351	588,646	35.7	28.0

Apparel Specialty Stores

The extent to which infants', toddlers,' girls' and boys' wear items are sold in women's clothing stores and family clothing stores, are reported below for 1987. Data is in current dollars, not adjusted for inflation over this period.

Women's Clothing Stores: 1987
(Includes only stores with payroll)

			% of total sales of	
	Estabs.	Sales	Stores Selling line	All Stores
Number of stores, total	52,304	$25,867,595	--	100.0%
Stores selling infants', toddlers', girls' & subteen clothing & accessories	4,780	226,522	5.3%	0.9
Stores selling boys' & young men's wear & access.	1,168	79,395	4.0	0.3

Family Clothing Stores: 1987
(Includes only stores with payroll)

			% of total sales of	
	Estabs.	Sales	Stores Selling line	All Stores
Number of stores, total	18,443	$21,117,145	--	100.0%
Stores selling infants', toddlers', girls' & subteen clothing & accessories	10,483	1,250,191	7.3%	5.9
Stores selling boys' & young men's wear & access.	10,971	1,022,415	6.0	4.8

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3, RC82-1-3)

Department Stores

Distribution of department store sales of children's wear by type of operation is reported for the 1987 census, by the U.S. Bureau of the Census. In 1987, of total department store sales, 2.9% were for boys' and young men's wear, and 4.5% were for infants', children's, girls' wear.

Distribution of Department Store Sales Of Children's Wear By Type of Operation: 1987

	Total	Conventional	National Chain	Discounter/ Mass Merchandiser
Infants', children's, girls' wear	100.0%	34.0%	24.7%	41.7%
Boys'/young men's wear	100.0	43.1	26.3	30.6

Conventional: usually provides check-out service, and customer assistance in each department. May have catalog service. Often sells nationally advertised brands.
National chain: stores affiliated with a company which operates similar establishments on a national basis. Often sell own corporate brands.
Discounter/mass merchandiser: high-volume, fast turnover outlet, selling merchandise for less than conventional prices. No customer service, or catalog order service.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-S-3)

Merchandising and operating results in the typical department store reporting to the National Retail Merchants Association for the year 1988 are reported below. Infants' and children's clothing and accessories accounted for 5.4% of total department store sales, and increased 4.5% in net sales compared to the previous year.

Merchandising & Operating Results of Infants', Girls' & Boys' Wear In All Department Stores: 1988

(Median results)

	Infants' & Children's Clothing & Accessories Total	Girls' (4-6X,7-14) Clothing/ Underwear/ Accessories	Boys' (4-7) Clothing	Infants'& Toddlers' Apparel & Furniture
Number of companies reporting	47	46	42	45
Net sales, % change from last year	4.5%	6.1%	10.9%	9.8%
Sales, % of total store sales	5.4	2.5	0.6	2.0
$ sales per square foot of selling space (main or largest selling unit)	$91.0	$112.5	$ 94.0	$ 84.0
Cumulative markon, %	51.6%	52.1%	52.1%	51.8%
Gross margin, % of sales (incl. cash discounts)	41.3	41.5	39.9	41.8
Advertising, % of net sales	2.6	2.6	3.2	2.9
Selling salaries, % of net sales	8.3	8.6	7.6	9.3
Number of stock turns (times)	2.9	3.1	3.2	2.9

Source: National Retail Merchants Association: Merchandising and Operating Results of 1987 (1988 Edition)

RETAIL TRADE

Discount Stores

According to DM (Discount Merchandiser) July 1990, sales of infants' wear in discount stores amounted to $2.3 billion in 1989, 9.5% higher than the 1987 total. Sales of girls' wear reached $1.9 billion, with tops accounting for the highest share (23.9%) of sales, followed by bottoms. Discount store sales by type of apparel were reported as follows:

Discount Store Sales of Infants' & Girls' Wear By Type: 1989

	% of Total
Infants' wear	100.0%
Boys'	52.0
Girls'	48.0
Girls' wear	100.0
Tops	23.9
Bottoms	19.4
Intimate apparel	14.5
Dress, skirts	13.9
Activewear	11.7
Outerwear	6.8
Other	9.8

Source: DM, July 1990

Discount store sales of boys' wear totaled $2.1 billion in 1989, distributed as noted below.

Discount Store Sales of Boys' Wear By Type: 1989

	% of Total
Boys' wear	100.0%
Tops	36.8
Bottoms	22.0
Furnishings	15.4
Activewear	12.2
Outerwear	8.1
Suits, sportcoats	1.9
Miscellaneous	3.7

Source: DM, July 1990

CONSUMER PURCHASE PATTERNS: APPAREL

Infants' & Children's Wear

With demographics showing older parents having a first and often only child, and grandparents living longer, more money is available to spend on children's wear. This market shifted upscale and grew in volume in the 1980s, and the purchasing power of both parents and grandparents should continue to grow in the 1990s, according to Children's Business.

Recognized national branded names, and brand extensions, relatively new to this industry, are winning over children's wear consumers who want quality merchandise, and find security in purchasing well-known names, especially in a tight economy. They want clothes that are made well and will last, although price and fashion are also important factors.

Children have also become more aware of brands and trends at a younger age. With more discretionary income, they have become independent shoppers, spending approximately $700 milllion on clothing per year, often on particular styles or brands that parents consider too expensive. They desire to look like their older siblings, and thus purchase fashions currently popular with this older age segment. They also greatly influence the purchases of their parents.

With the increase in new births, sales in the infants' market have also grown rapidly, as baby-boomer parents want their child to have it all. Fashion influences from Europe, which have changed the look of infants' wear, have also contributed to the sales growth. Gift-giving in this category now accounts for 36% of total sales.

Purchasing patterns in soft goods are tracked by independent research organizations through tracking studies in which nationwide samples of households report in detail on their monthly purchases.

The following information on purchases of children's wear, including for boys age 3 to 16 years, for girls age 3 to 14, and infants' wear for boys and girls age 2 and under has been supplied by the KSA/NPD Purchase Panel, a joint venture of Kurt Salmon Associates and the NPD group. The panel consists of 11,500 households and their reports form the basis for NPD market projections on purchases in retail outlets.

Market Estimates: Juvenile Apparel: 1989, 1990

	Dollars in Millions		% Change
	1990	1989	1990/89
Reported apparel, total	$23,771.2	$22,325.4	6.5%
Infants' wear	4,061.3	3,617.5	12.3
Girls' wear	9,029.8	8,373.1	7.8
Boys' wear	10,680.1	10,334.8	3.3

	Units in Millions		% Change
	1990	1989	1990/89
Reported apparel, total	4,523.7	4,373.3	3.4%
Infants' wear	937.5	874.4	7.2
Girls' wear	1,690.6	1,608.1	5.1
Boys' wear	1,895.6	1,890.8	0.3

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS: APPAREL

Based on purchase tracking studies, Kurt Salmon Associates/NPD has also analysed consumer purchase patterns by type of retail outlet as shown below. Stores classified as discounters garnered the major share of unit purchases, and to a lesser extent dollar spending for infants', girls' and boys' wear. The share of purchases made in both department stores and in chain stores declined in 1990 compared with 1989.

Share of Unit & Dollar Expenditures for All Boys', Girls' & Infants' Wear By Type of Retail Outlet: 1989, 1990

	Units		Dollars	
	1990	1989	1990	1989
Infants' wear, total	100.0%	100.0%	100.0%	100.0%
Department stores	10.5	11.9	18.0	20.4
Chain stores*	14.1	16.0	15.3	16.4
Discount stores**	58.4	55.7	45.2	43.1
Specialty stores	5.9	6.4	9.3	9.9
Mail order	1.0	0.6	2.3	1.1
Factory outlets	1.9	2.4	3.0	2.9
Other outlets	8.2	7.0	6.9	6.2
Girls' wear, total	100.0	100.0	100.0	100.0
Department stores	11.1	12.1	18.7	20.4
Chain stores*	15.0	16.1	17.4	17.4
Discount stores**	57.4	55.4	42.8	41.3
Specialty stores	7.0	7.2	12.1	12.5
Mail order	1.2	1.1	1.5	1.4
Factory outlets	2.2	1.9	2.7	2.2
Other outlets	6.1	6.1	4.7	4.8
Boys' wear, total	100.0	100.0	100.0	100.0
Department stores	10.9	11.9	18.1	19.9
Chain stores*	16.4	17.0	19.2	20.3
Discount stores**	56.7	55.8	40.8	40.2
Specialty stores	5.8	5.5	10.3	9.6
Mail order	1.0	0.8	1.7	1.4
Factory outlets	1.9	2.0	2.3	2.0
Other outlets	7.0	7.1	7.5	6.7

* Includes Sears/Penny/Ward
**Includes K-Mart

Source: KSA/NPD Purchase Panel

Purchases of footwear for boys', girls' and infants' are tracked by FMI (Footwear Market Insights), in an on-going tri-annual survey of 30,000 representative households throughout the nation. Panel participants keep detailed records on footwear purchases, which are the basis for FMI's market projections. FMI is a product of Kormos, Harris & Associates, Nashville, TN.

CONSUMER PURCHASE PATTERNS: JUVENILE FOOTWEAR

Based on data for the twelve months ending August 1990, boys' footwear purchases dropped 5% in units from the same period in 1989. Dollar volume rose 8.8%, however, due partly to upward shifts in price points. Purchases of girls footwear rose 5.4% in units, and 8.8% in dollars during this time, while the infants' shoe business grew 4% in units, and 7% in dollar volume.

Purchases of boys' footwear (pairs) fell 3.7% in 1990 over 1989. Units of girls' and infants' shoe purchases, however, grew 6.4% and 1.7% respectively.

The Juvenile Footwear Market: 1988-1990
(Millions of pairs)

Market Segments	1990	1989	1988	% Change 1990/89
Boys'	64.6	67.1	66.9	-3.7%
Girls'	61.3	57.6	55.8	6.4
Infants'	59.4	58.4	55.3	1.7

Source: Kormos, Harris and Associates: Footwear Market Insights (FMI)

Athletic footwear purchases continued to dominate the boys' market, accounting for 76.4% of demand, 1% less than in 1989. The share of dress shoe purchases also grew slightly, while casual shoes declined.

Athletic shoes were also important in the girls' market, as share of purchases totaled to 50.1% in 1990, down from 50.4% in 1989. A slight increase in casual shoe purchases, and a slight decrease in dress shoe purchases, again, was also reported.

Although 45.1% of the infants' market, athletic shoe purchases fell from a 51.1% share in 1989, while nonathletic styles increased to 54.9%, from 48.9%, according to FMI.

Purchase Patterns By Shoe Style: 1988, 1989, 1990

	1990	1989	1988
Boys' market, total	100.0%	100.0%	100.0%
Dress	10.8	10.4	11.1
Casual	6.7	7.0	5.6
Athletic	76.4	77.2	77.2
Other & not reported	5.9	5.4	6.1
Girls' market, total	100.0	100.0	100.0
Dress	21.5	21.8	22.8
Casual	20.8	20.4	19.8
Athletic	50.1	50.4	49.8
Other & not reported	7.7	7.4	7.7
Infants' market, total	100.0	100.0	100.0
Nonathletic	54.9	48.9	45.8
Athletic	45.1	51.1	54.2

Source: Based on FMI reports

CONSUMER PURCHASE PATTERNS: JUVENILE FOOTWEAR

Discount stores have become the most popular outlet type for shoe purchases in 1990, surpassing shoe stores, which now rank second. Share of shoe store and department store purchases fell in 1990 for all juvenile shoe segments.

Purchase Patterns By Outlet Type: 1990
(Based on Pairs Purchased)

	Percent of Total Footwear Purchases		
	Boys'	Girls'	Infants'
Total	100.0%	100.0%	100.0%
Shoe stores	31.0	29.8	28.1
Discount stores	36.8	43.0	44.4
Factory outlets	1.2	0.8	0.1
Department stores	7.7	8.5	7.4
Apparel specialty stores	1.5	0.8	1.4
Sears/Penney/Wards	9.3	7.6	8.5
Other outlets	12.5	9.5	10.1

Source: Kormos, Harris and Associates:
Footwear Market Insights (FMI)

OTHER JUVENILE PRODUCTS

Retail sales of juvenile products (which include home furnishings, accessories, personal care items), is reported to have increased 16% in 1989, driven somewhat by the new baby boom in the U.S. About 41% of these births are to first-time parents, making them prime customers for a wide variety of basic necessities, such as cribs, high chairs, car seats, strollers, dressers, etc. These products are currently being offered in a wide range of colors and designs, such as stripes and polka-dots. The development of new products or new features spurs consumers toward secondary purchases for their next child, and encourages them to buy a new product instead of passing down an old one.

In 1958, Life Magazine estimated the average baby cost its parents $800 in their first year, ($2,892 in current dollars). Today this cost is estimated by American Demographics to be $5,774. A break-out of costs in a typical baby's first year are compared for 1958 vs. 1990, as listed below. The cost of day care, not calculated in 1958, adds a significant expense to many working parents in need of this service in the 1990s. Many other changes, (economic, demographic, technological) have also contributed to the increase in costs.

OTHER JUVENILE PRODUCTS

Average Expenditures In Baby's First Year: 1958, 1990

	1958	1990
Bedding, bath supplies	$ 54	$ 223
Furniture	199	995
Diapers	38	570
Food, feeding equipment	216	855
Toys	43	199
Clothes	127	352
Medicine, vitamins, personal care	82**	396
Day care	*	2,184
Total cost	800	5,774

* not calculated
** includes formula

Source: Life Magazine; American Demographics
New York Times (December 31, 1989)

Juvenile Furniture

Information on juvenile furniture shipments was reported in the 1988 Survey of Manufactures, as noted below.

Value of Shipments By All U.S. Producers
Of Infants' and Children's Furniture: 1982, 1987, 1988
(In millions of dollars)

	1988	1987	1982	% Change 88/87	% Change 87/82
Infants' & children's wood furniture	$281.6	$272.7	$158.8	3.3%	71.7%

Source: U.S. Bureau of the Census:
1988 Annual Survey of Manufactures

Juvenile furniture, a $200 million business at retail, is a growing but crowded industry, according to HFD. Once an item business, it has become a full-fledged category, as manufacturers offer entire bedroom collections, to include desks, chairs, tables, closets, bookcases, magazine racks, and clothes trees.

As this market grows, makers are putting forth new collections to move into product niches, targeting infants or toddlers, while others try to bridge the gap from infants to when the child is able to sleep in a full size bed. These manufacturers are producing cribs that convert into youth beds, or are adding new pieces to their collections. Examples include Simmons addition of "next step" items to several of its existing crib lines, and Amisco's introduction of the Toddler Group, which is a scaled down version of adult-sized furniture aimed at children 18 months to 4 years of age, according to HFD. Another new category is the transitional bed for toddlers, which looks like a twin bed, but is the size of a crib, and is targeted to parents who live in tight quarters.

Juvenile Furniture (continued)

Furniture with a theme is finding a spot in the juvenile market, examples including car beds and dinosaur Bronto beds, with coordinated accessories such chairs, desks and bookcases also offered. Licensed collections in juvenile furniture are another new area introduced by Rosalco. This company's collection includes domestically produced wooden beds and accessories, featuring Sesame Street characters, automobiles of race car drivers, and logos of baseball and football teams.

Due to the price-driven nature of the category, a large share of juvenile furniture is imported into the U.S., according to manufacturers. The bulk of business is done off-shore, in Mexico, Taiwan, and other countries where labor rates are lower, enabling lower price levels to consumers.

The general downturn in retailing has had an affect on the growth of juvenile furniture sales. More retailers, however, have gotten into selling this category, as space permits. Many baby specialty stores have made the commitment to sell youth furniture, although they are finding substantive differences between the way nursery and youth items are bought, shipped, priced, displayed and inventoried, according to HFD. Department stores are seen as a tremendous distribution channel for licensed products because they aggressively promote juvenile products, seeing an opportunity for add-on sales, such as mattresses and bed covers, according to an industry executive. National chains, such as Sears and Penney's are already veterans at handling licenses.

Home Textiles

Production of crib sheets and pillowcases in U.S. mills has registered a steady decline since a peak of 695 thousand dozens in 1979. The latest annual compilation by the Census Bureau showed 1987 production at 494 thousand dozen, 29% below the 1979 level.

U.S. Production of Crib Sheets & Pillowcases: 1982-1989
(Thousands of dozens)

Year	Production	Year	Production
1989	649	1985	543
1988	539	1984	653
1987	494	1983	629
1986	520	1982	642

Source: U.S. Bureau of the Census, Current Industrial Reports: Sheets, Pillowcases, and Towels (MQ23X)

In the first nine months of 1990, factory shipments of crib sheets and pillowcases compared with the same period of 1989 were up 8.0% in quantity and about 9.6% in value. Results for the full year 1990 should show a sizeable gain over 1989 in both units and dollars.

OTHER JUVENILE PRODUCTS

Home Textiles (continued)

Shipments of Crib Sheets & Pillowcases by U.S. Mills

	Thousand Dozen	Value Thous. Dollars
For nine months:		
1990	475	$18,870
1989	440	17,213
Year:		
1989	591	22,949
1988	552	21,034
1987	507	19,176
1986	538	19,095

Source: U.S. Bureau of the Census: CIR (MQ23X)

Preliminary 1989 figures on the production of crib and receiving blankets, reported by the National Cotton Council of America, shows steady growth, as production rose 1.0% over 1988, and 4.0% over 1982.

Production of Crib & Receiving Blankets
(Thousands of units)

	1989(p)	1988	1987(r)	1982
Total	7,182	7,111	6,983	6,904
Thermal woven	1,198	1,186	1,174	890
Other woven, nonwoven	5,984	5,925	5,809	6,014

(p) preliminary (r) revised

Source: National Cotton Council of America: Cotton Counts Its Customers

Today's older and more affluent parents are purchasing more fashion-forward, upscale bedding for their infants and children. In response to the more sophisticated tastes of these consumers, manufacturers are trading up their lines, and are offering traditional designs with a contemporary flair in their comforters, sheets, bumpers and pillow cases. Country and Old World styles are currently popular, as are brighter more vibrant colors, a change from what was primarily a pastel area. Many companies are also presenting versions of their adult collections, scaled down for infants.

Approximately 10 million consumers buy infant bedding in one year, according to manufacturers' estimates. Of these, about 40% are purchased as gifts, usually before the baby is born, resulting in the importance of neutral colors. Very few licenses exist in infant bedding, and those that do tend to be traditional, to appeal to parents' tastes. Disney babies is currently the most popular, according to HFD.

Home Textiles (continued)

Licensing is very important in juvenile bedding, however, as any hot toy or film has the potential for success. Some of the current big names include the Teenage Mutant Ninja Turtles, The Simpsons, New Kids on the Block, and Holly Hobbie, all offered by the Bibb Company, the leader in juvenile bedding licensing. This company offers a full range of products to consumers, to include window treatments and border rugs. Garfield, Sesame Street and Ghostbusters, also key names, are offered by Stevens, as is newcomer to the category, Barbie the doll, according to HFD.

Manufacturers report that juvenile bedding has grown over the past 10 years, as a full range of matching products for the bedroom are offered to consumers. Many stores are allocating more space to this category, affording it higher visibility. The weakened condition of some department stores however, can have a negative affect on those companies who sell their lines on a higher-end fashion scale. Many discounters who also sell juvenile bedding, are sacrificing profits by selling at or near cost, in order to compete effectively, according to HFD.

Price points and average number of juvenile sheet styles were reported as follows.

Basic Assortments of Juvenile Sheets

	Price Points	Average Number of Styles
Mass merchandisers, national chains	$ 9.99-$19.99	11
Department stores	19.99- 34.99	4
Specialty linen stores	14.99- 29.99	6

Source: Home Fashions Magazine (April 1990)

Industry sources estimate that more than 80% of infant bedding is sold through mass merchants. This market has grown in recent years due not only to a modest upturn in births, but to the fact that so many births (over 40%) are first births, requiring completely new layettes.

Mothers tend to buy the more utilitarian items for the nursery, such as crib sheets, while relatives and friends tend to buy comforters and decorative items as gifts. About two-thirds of infant merchandise is purchased before the baby is born.

Dolls, Toys, Games, etc.: General Industry Statistics

The latest industry statistics on dolls, toys, games, etc., covering U.S. plants, is obtained from the 1988 Annual Survey of Manufactures, and the 1987 Census of Manufactures. These figures indicate declines in manufacturing activity in the doll industry in 1988 compared with 1987. Growth has occurred in the toys, games and children's vehicles industry, where industry shipments rose 16.8%, and the number of production workers increased 11.8% in 1988.

OTHER JUVENILE PRODUCTS

Dolls, Toys, Games, etc.: General Industry Statistics (continued)

Doll Industry (SIC 3942*)

	1988	1987	1982	% Change 88/87	87/82
Number of companies	na	191	233	--	-18.0%
Number of establishments, total**	187	197	237	-5.1%	-16.9
Number with 20 or more employees**	51	53	71	-3.8	-25.3
Employees, total (thous.)	3.9	4.4	7.3	-11.4	-39.7
Production workers (thous.)	3.1	3.3	5.9	-6.1	-44.1
Payroll (mil. $)	$57.6	$57.9	$86.6	-0.5	-33.1
Value added by manufacture# (mil. $)	135.0	150.3	209.5	-10.2	-28.3
Value of industry shipments## (mil. $)	272.3	294.0	402.7	-7.4	-27.0
Capital expenditures, new (mil. $)	2.3	4.4	7.3	-47.7	-39.7

Toys, Games and Children's Vehicles (SIC 3944*)

	1988	1987	1982	% Change 88/87	87/82
Number of companies	na	698	732	--	-4.6%
Number of establishments, total**	717	716	780	0.1%	-8.2
Number with 20 or more employees**	211	197	253	7.1	-22.1
Employees, total (thous.)	34.1	30.9	43.8	10.4	-29.5
Production workers (thous.)	26.5	23.7	32.2	11.8	-26.4
Payroll (mil. $)	$ 602.8	$ 541.6	$625.0	11.3	-13.3
Value added by manufacture# (mil. $)	2,201.8	1,911.3	2,622.6	15.2	-27.1
Value of industry shipments## (mil. $)	3,950.8	3,381.3	4,476.0	16.8	-24.5
Capital expenditures, new (mil. $)	96.0	94.2	111.5	1.9	-15.5

na not available

* Manufacturing plants (establishments) are classified by industry under the 1987 Standard Industrial Classification (SIC) system determined by the principal product made, shown below:

SIC 3942 covers establishments primarily engaged in the manufacture of dolls, doll parts and doll clothing, stuffed toy animals, etc.

SIC 3944 includes establishments engaged in manufacturing games and game sets for adults and children, as well as mechanical and nonmechanical toys excluding bicycles. Product components are shown in the table on value of shipments by all U.S. manufacturers (page 52).

** Covers manufacturing establishments (plants) only, and each location is separately counted.

(footnotes continued)

Dolls, Toys, Games, etc.: General Industry Statistics (continued)

(footnotes continued)

# Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

The value of industry shipments includes both primary and secondary products made by manufacturers in the industry, as well as receipts for contract work and miscellaneous receipts. The value of primary products made in this industry, as well as the value of these products made by secondary producers is covered in the table below.

Source: U.S. Bureau of the Census:
1988 Annual Survey of Manufactures,
1987 Census of Manufactures

Trends in Value of Shipments By All U.S. Manufacturers: 1989-1991
(In millions of dollars)

	1991(f)	1990(e)	1989(e)	% Change 1991/90	% Change 1990/89
Dolls & stuffed toys (SIC 3942)					
Current $	na	$266	$269	--	-1.1%
Constant 1987 $	244	249	258	-2.0%	-3.5
Games & toys (SIC 3944)					
Current $	--	3,932	3,966	--	-0.9
Constant 1987 $	3,425	3,495	3,648	-2.0	-4.2

(f) forecast (e) estimate

Imports and Exports: 1985-1989
(In millions of current dollars)

	1989	1988(r)	1987	% Change 1989/88	% Change 1989/87
Dolls, toys, games, vehicles (SIC 3942, 3944)					
Value of imports*	$5,567	$4,671	$4,043	19.2%	37.7%
Value of exports**	375	351	249	6.8	50.6

(r) revised
* Customs value (price paid when sold for export)
** f.a.s. (free alongside ship)

Source: U.S. Department of Commerce:
1991 U.S. Industrial Outlook

OTHER JUVENILE PRODUCTS

Dolls, Toys, Games, etc.: Imports and Exports

Imports

U.S. demand for dolls, toys and games is increasingly being met by imports, particularly from the Far East, according to the U.S. Industrial Outlook. Such growth was led by video games and parts, of which over 90% was supplied by Japan. Doll imports rose 25% in 1990 over 1989, with value reaching $1.8 billion, while imports of toys and games grew 40%, to $5.8 billion. China and Taiwan were the major suppliers of these non-electronic toys and games, accounting for an estimated 28% of such imports.

The ratio of imports to apparent consumption of dolls was estimated at 89% and for toys 65% in 1990, up from the previous year when levels were 84% and 58% respectively.

An estimated 70% of toys sold in the U.S. are manufactured either in whole or in part overseas. U.S. toy manufacturers have continued to set up off-shore sites, with nearly all producers operating facilities in Hong Kong, South Korea and Taiwan, where they are able to take advantage of lower wage rates. Many also have contracting and licensing agreements with foreign producers. New opportunities to establish joint ventures and production sites in Eastern European countries has also become a possibility.

Exports

As American manufacturers continue to be leaders in toy invention and design, many toys and games introduced in the U.S. are desired by foreign consumers. As a result, doll, toy and game exports accounted for 14% of U.S. product shipments in 1990, up from 6.9% in 1986. U.S. exports of toys rose 44% to $475 million in 1990, marking the fifth consecutive year that an increase occurred, according to the U.S. Industrial Outlook. Doll exports, however, fell 11% to $48 million.

Mexico, Canada and Western Europe were the major markets for these products, although parts shipped to Mexico for further processing were also included. The unification of the European Community in 1992, and the removal of trade barriers between the U.S. and Canada should also create additional export opportunities in the future. China, India and Eastern Europe, including the U.S.S.R., are also potential future outlets for American manufacturers, according to the Toy Manufacturers of America.

Most U.S. toy makers distribute overseas through subsidiaries, distributors, and direct sales to retailers, totaling an estimated $1 billion in sales each year. Many also make licensing arrangements with foreign toy companies, who produce and distribute U.S. toys in those countries, and then pay royalties to American firms.

OTHER JUVENILE PRODUCTS

Dolls, Toys, Games, etc.: Industry Shipments

The Toy Manufacturers of America report on sales and unit volume of toy shipments by type in 1988 and 1989. Specific toy categories that target the children's market were selected, although the games and puzzles, and the TV video games categories may also include products for adults.

In the last decade, toy industry shipments have virtually doubled, to $9 billion in 1989, from $4.5 billion in 1980, with an average increase of about 4.9% annually. TV video games, dolls, and infant/pre-school toys registered the highest gains, while the only decline occurred in shipments of plush toys. Factors contributing to this growth include the emergence of the U.S. economy from a nationwide recession, an increase in the children's population, the resurgence of traditional toy sales, and the move toward year-round sales.

Industry Shipments of Selected Toy Categories
(Dollars and units in millions)

	Dollar Sales		% Change	Unit Sales		% Change
	1989	1988	1989/88	1989	1988	1989/88
Total	$11,413	$10,580	7.9%	$1,820	$1,752	3.9%
Infant/Preschool	1,104	1,004	10.0	184	178	3.4
Dolls	1,056	966	9.3	130	121	7.4
Plush	590	687	-14.1	86	99	-13.1
Games & Puzzles	1,043	950	9.8	209	203	3.0
Activity Toys	1,387	1,389	-0.1	521	510	2.2
Action Figures	553	523	5.7	127	115	10.4
Vehicles & Ride-Ons (excl. bicycles)	2,015	1,884	7.0	267	241	10.8
All Other Toys	1,235	1,287	-4.0	228	233	-2.1
TV Video Games	2,430	1,890	28.6	68	52	30.8

Source: Toy Manufacturers of America: 1990-91 Toy Industry Fact Book

Dolls, Toys, Games, etc.: Retail Sales

According to the Toy Manufacturers of America, retail sales of toys increased along with shipments, totaling $13.4 billion in 1989, up 3.4% from 1988. Toy manufacturers are broadening their product mix, ceasing to rely upon a few highly promoted products to sustain sales growth, and are concentrating on producing basic toys and increasing year-round sales. Ten years ago, 70% of toy sales were made in the fourth quarter, today just 60% of sales occur in this period.

No new toys are currently taking the market by storm, according to analysts, traditional toys are booming, however. Staple toys, such as dolls, games, action figures, cars and trucks, and pre-school items perform well year to year, and never go out of style, according to the Toy Manufacturers of America.

Dolls, Toys, Games, etc. : Retail Sales (continued)

A survey by Toy and Hobby World on wholesale and retail accounts, revealed the top selling toys, (based on dollar sales), to be Nintendo Entertainment Systems, followed by Super Mario Brothers (Nintendo), and then the Barbie doll by Mattel. Five of the top ten toys were Nintendo games, reflecting the popularity of electronic games, which currently account for about 20% of all toy sales. Nintendo games hold a more than 80% share of the video game market, achieving more than $2 billion in sales in 1989. Nintendo growth may slow, and become a marginal purchase that consumers can afford to pass up, as it is already in 29% of U.S. homes. This would allow consumers more money to spend on traditional toys.

Some of the biggest names in adult electronics have been translating their expertise into extended lineups for the younger crowd, by offering audio learning aids and other high-tech toys. The infants' toy market, which had sales above $300 million in 1989, may prove to be a strong growth area for electronics, within the instructional arena and as educational aids.

Mattel's Barbie doll has regained popularity, bringing in about $600 million in sales worldwide. Additions to the Barbie line, such as designer clothes, and various accessories like girls' handbags and trading cards, has also helped boost sales, according to Forbes.

The NPD Group reports that discounters continued to be the dominant distribution channel for toys, with over one third of the market. These stores focus mainly on selling the basic, traditional toys. Toy stores, dominated by Toys R Us and other super stores, take second place, with a 31% share in volume in 1989, up from 24% in 1985, and are leaders in the sale of electronic toys. Both discounters and toy supermarkets' importance to the toy industry should continue to grow, as they take business away from the weaker competition, such as catalog showrooms and department stores.

An estimated 59,000 retail outlets in the U.S. sell toys and games. Stores which sell toys exclusively range from small independent shops, to large multi-unit chains, or toy supermarkets, which carry a larger selection at lower prices.

Distribution of Toy Sales By Retail Outlets: 1985-1989
(Share of dollar volume)

	1989	1988	1987	1986	1985
Discount stores	38%	36%	35%	33%	31%
Toy stores	31	33	30	27	24
Department stores	8	9	9	12	15
Catalog showrooms	5	5	5	6	7
Variety stores	2	2	3	4	4
All other stores	16	16	18	18	19

Source: Toy Market Index, NPD Group
1990-91 Toy Industry Fact Book

Dolls, Toys, Games, etc.: Licensing

Retail sales of licensed toys and games totaled $7.8 billion in 1989, according to the Licensing Letter, approximately 60% of toy sales. Toy industry share of all licensed products, slipped, however, from a once dominant 23.5% share in 1981, to 12% of the total in 1989, and down from 13% in 1988.

Character licensing plays an important role in selling children's toys and games, and as a result, toymakers are looking for ways to apply licensing technology to the design and marketing of their lines. Currently, the Teenage Mutant Ninja Turtles is the most popular license, and the second most popular toy overall, behind Nintendo. Its popularity has become so great that it is now being used for other categories, such as apparel. The release of the Batman movie in 1989, was responsible for brisk sales of Batman action figures, playsets and vehicles. Sports licensing, a relatively new category, has also exploded, with big sales of sports action figures in team uniforms and logos; and the most dramatic expansion occurred in corporate licensing, whereby a toy bears the name of a company.

According to the Licensing Industry Merchandisers Association, basic standby categories such as Disney, Bugs Bunny and Sesame Street have enjoyed continued success. Saturday morning cartoon show toy licenses, however, have declined in popularity, due somewhat to the competition from Cable TV and videos. The demand for licensed toys is expected to continue through 1991, due to a number of heavily promoted movies and other licensed products.

FACT FILE SPECIAL EDITIONS

Statistical Analysis of Retailing: A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

Merchandise Sales By Retail Outlet: Based on U.S. Census Bureau data issued in 1990, this special study covers sales in a wide range of product lines using retail outlets, including apparel, footwear, sporting goods, home furnishings, food and drugs. Sales are detailed, and trends analyzed on market shares held by major outlet types, using Census of Retail Trade data, which is published only once every five years. A must for marketing and merchandising people.

The Impact of a Maturing Market: Covers the implications for marketers of the changing life style of an aging population, focusing on market segments within the mature market. The Baby Boomers now mostly in their 30s and 40s are an important aspect of this market. Many are confronting new developments affecting their careers and income prospects as the country enters a recession. The older population is setting a new course in life styles, with improvement in income, health and longevity. Available data on current developments and outlook for segments within the 30-plus U.S. population are covered.

SCHEDULE OF ADDITIONAL FACT FILES

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An annual overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Dresses and Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's, and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls'): An annual statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections, and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions; Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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EXECUTIVE SUMMARY

Retail sales of all women's apparel totaled $58 billion in 1989, according to Kurt Salmon & Associates, with $16.8 billion accounting for tops, $7.6 billion for bottoms, $1.9 billion for sweats and warm-ups, and $955 million for swimsuits. All totals increased over 1988 retail sales.

Imports of women's and children's playwear, skirts, pants and knit shirts increased during the first six months of 1990 compared with 1989, but at a lower rate due to a weak retail market, according to the International Ladies Garment Workers Union. Imports were strong in 1989 vs. 1988. Units rose 11.7% in sweaters, 17.9% in blouses and shirts, 4.3% in slacks and shorts, and 43.4% in sweatsuits, according to the Census Bureau.

U.S. exports of women's, girls' and infants' sportswear/casual wear rose about 35% in quantity and 45% in f.a.s. value (free alongside ship) in 1989 vs. 1988. Most exports were garments cut in the U.S., sent abroad to be sewn, then returned to the U.S. under the "Special Provisions" of Chapter 98, Harmonized Tariff Schedules (formerly "807" provisions, with duty paid only on value added abroad).

Employment has been trending downward. The number of production workers fell 11.7% in the women's, misses' & juniors' blouse industry, 7.1% in the women's outerwear n.e.c. industry, and 4.4% in knit outerwear mills, in July 1990 vs. July 1989, according to the Bureau of Labor Statistics.

U.S. production of women's sportswear/casual wear dropped in 1989 compared to 1988. The largest decrease occurred in the production of jogging suits, down 20.6%, while jackets fell 24%, and skirts dropped 14.6%, according to Census Bureau data released October 1990.

With a recession in the U.S. economy on the way, and unemployment rising in some areas of the country - affecting career/management women to a marked degree - retailers find customers are holding back, buying closer to their needs. Retailers are revamping their sales pitches to attract consumers who are increasingly economy-aware.

MARKET TRENDS

Many factors have been affecting the state of the women's sportswear/casual wear market at the retail and manufacturer levels. One factor is the restructuring and consolidation taking place in retail channels, at a time when many stores and vendors are facing debt and credit problems. With shipments to some major department stores being held up for credit reasons, retailers have had to keep inventories lean by slowing down their orders from vendors, attempting to place them closer to consumer demand. Vendors who survive are faced with a much more competitive market.

Growing inflation and the threat of a recession are a concern, as consumers have become very cautious in their buying, in terms of both fashion and price, and have delayed purchases until merchandise goes on sale. As a result, extensive price cutting and promotion by troubled department stores has been widely reported, according to Kurt Salmon Associates, Inc.

MARKET TRENDS (continued)

Women's sportswear/casual wear manufacturers have responded to the retail instability by hosting and co-oping promotional events to attract consumer attention, increasing sales training programs, offering discounts, and making shipping tighter to bolster retailers' aims to reduce inventory and increase turnover, according to Women's Wear Daily.

Many U.S. producers have also been taking advantage of the lower labor costs in developing countries, by shipping cut fabric to such countries, where they are assembled at cheaper rates, and then shipped back to the U.S. This practice, as well as the slowdownn in orders at retail, has resulted in a drop in U.S. production of most sportswear items in 1989 compared to 1988. Production worker levels have also fallen, the largest decline of 19% occurring in the women's blouse and shirt industry, when comparing 1985 totals to 1989, according to the U.S. Bureau of Labor Statistics.

The growth of apparel imports continued to affect U.S. producers. 1989 imports of women's, girls' and infants' sweaters represented 78% of total U.S. new domestic supply, while blouse and shirt imports accounted for 60.7%, and slacks and shorts 55.3%, according to the Census Bureau.

There has been a trend toward offering consumers more classic, saleable sportswear, not too colorful, too short, or too fitted, according to Women's Wear Daily. Knitwear has rebounded, and stretch wool, stretch twill and Lycra Spandex have become popular in bottoms. Styles have also become less frilly, and more casual with softer silhouettes. Shorts and short skirts are paired with a variety of new legwear for a coordinated look.

Such practical fashions may be more in tune with the fastest growing age group among women, the 35 to 54 year olds. Approximately 70% of women in this age group are employed, and 60% have household incomes of $30,000 or more, according to Simmons Market Research Bureau. Their economic independence enables them to purchase many sportswear items, and thus this market segment has become important to both apparel makers and retailers.

The average American woman wears a large size, increasing the importance of the large-size apparel market. Immigration of Hispanics and Asians have brought women who generally wear smaller sizes into U.S. stores, however, according to American Demographics. As a result, the fashion industry must offer an even wider selection of sizes.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A measure of trends in the women's, misses' & juniors' blouse and shirts sportswear (knit and woven) segment of sportswear/casual wear is developed in the annual report, U.S. Industrial Outlook, compiled by the International Trade Administration. As noted below, shipment information is reported on both a current and a constant dollar basis (eliminating the effects of inflation).

GENERAL INDUSTRY STATISTICS

Women's, Misses' & Juniors' Blouse & Shirt Industry Trends 1987-1989

(Value in millions of dollars)

	1989(e)	1988(e)	1987(p)	% Change 1989/88	% Change 1988/87
Value of U.S. industry shipments:*					
Current $	$ 4,431	$ 3,980	$ 3,871	11.3%	2.8%
Constant (1987) $	4,087	3,900	3,871	4.8	0.7

(p) preliminary 1987 Census of Manufactures report.
(e) estimate
* See definition on page 5.

Source: U.S. Department of Commerce,
International Trade Administration
1990 U.S. Industrial Outlook

The latest detailed information on manufacturers classified in the women's sportswear, casual wear and jeans industries has been compiled by the U.S. Bureau of the Census, in the 1987 Census of Manufactures, part of thet is Bureau's economic census program compiled every five years covering all manufacturers in the U.S.

In intercensal years, the Census Bureau conducts an annual survey among a sample of manufacturers to provide a continuous series of basic industry statistics. (The 1988 ASM reports will be released in 1991).

Sportswear/casual wear is not a clearly defined classification, but is included in a number of industries under the Standard Industrial Classification system. In some cases, such as Knit Outerwear Mills, industry data covers manufacturers of apparel for men, women and children.

In the five-year span between censuses of manufactures, the value added by manufacture, which compares the relative economic importance of manufacturing among industries, rose in both the women's blouse and the women's outerwear industries - 4.4% and 29.1% respectively. A decline of 1.6% however, was noted in the knit outerwear industry. It should be noted that dollar figures are current dollars, not adjusted for inflation.

Women's, Misses' & Juniors' Blouse & Shirt Industry (SIC 2331*)

	1987	1982	% Change 1987/82
Number of companies	1,408	1,824	-22.8%
Number of establishments, total**	1,496	1,954	-23.4
With 20 or more employees	860	1,110	-22.5
Employees, total (thous.)	73.4	92.2	-20.4
Production workers (thous.)	63.2	79.3	-20.3
Payroll (mil. $)	$ 856.6	$ 874.7	- 2.1
Value added by manufacture (mil. $)#	1,918.1	1,837.8	4.4
Value of industry shipments (mil$)###	3,831.2	3,884.2	- 1.4
Capital expenditures, new (mil.$)	40.1	29.4	36.4

GENERAL INDUSTRY STATISTICS

Women's, Misses' & Juniors Outerwear, n.e.c. Industry (SIC 2339*)

	1987	1982	% Change 1987/82
Number of companies	2,088	1,592	31.2%
Number of establishments, total**	2,198	1,745	26.0
With 20 or more employees	985	1,038	- 5.1
Employees, total (thous.)	107.3	110.7	- 3.1
Production workers (thous.)	90.9	93.2	- 2.5
Payroll (mil. $)	$1,261.7	$1,096.3	15.1
Value added by manufacture (mil. $)#	2,914.3	2,257.9	29.1
Value of industry shipments (mil$)###	5,663.4	4,830.4	17.2
Capital expenditures, new (mil.$)	65.0	85.2	-23.7

Knit Outerwear Mills (SIC 2253*)

	1987	1982	% Change 1987/82
Number of companies	811	896	- 9.5%
Number of establishments, total**	824	923	-10.7
With 20 or more employees	440	482	- 8.7
Employees, total (thous.)	59.0	66.8	-11.7
Production workers (thous.)	50.6	55.9	- 9.5
Payroll (mil. $)	$ 838.4	$ 741.4	13.1
Value added by manufacture (mil. $)#	1,677.8	1,704.8	- 1.6
Value of industry shipments (mil$)###	3,255.2	3,182.4	2.3
Capital expenditures, new (mil.$)	94.0	52.5	79.0

n.e.c. not elsewhere classified

* Manufacturing establishments (plants) are classified by industry under the Standard Industrial Classification (SIC) system determined by the principal product made, as defined in the 1987 SIC manual:

SIC 2331 comprises plants primarily engaged in the manufacturing of women's, misses' and juniors' blouses, waists and shirts from purchased knit or woven fabrics.

SIC 2339 includes manufacturing establishments primarily engaged in the manufacture of women's, misses' and juniors' outerwear, not elsewhere classified, such as neckwear, swimwear, slacks, ski suits, sweaters, and outerwear sport shirts, cut and sewn from purchased woven knit fabric; also washable service apparel.

SIC 2253 includes knitting mills making knit outerwear (including T-shirts), for men and boys, as well as women and children. Separate industry figures are not available, as most mills produce for men, women and children.

(footnotes continued)

GENERAL INDUSTRY STATISTICS

Note: Industry data on plants manufacturing women's skirts, pants, pantsuits and jackets is combined in SIC 2337 with data on manufacturers of women's coats and suits. SIC 2337 is covered in the Women's Coats, Suits, Tailored Career Wear, Rainwear and Furs Fact File.

** Covers manufacturing establishments only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.).

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids duplication in value of shipments which results from the use of products of some manufacturing establishments as material by others, and is for most purposes the best value measure of individual industries. (Figures are in current collars, not adjusted for inflation.)

Value of industry shipments includes, along with receipts for contract work, all items made for or by each establshment from materials owned by it, also miscellaneous receipts. It includes both primary and secondary products made by manufacturers in these industries. The value of primary product shipments, alone, plus the value of these shipments of such products by manufacturers classified in other industries, is covered in the section on PRODUCT SHIPMENTS.

Source: U.S. Bureau of the Census
1987 Census of Manufactures
(MC87-I-22B and 23B)

Employment & Earnings

The number of employees, and production workers in particular, have continued to decline in the specified women's wear industries, according to the Bureau of Labor Statistics. Production worker totals fell from 64,100 in 1987, to 59,000 in 1989 in knit outerwear mills, and from 44,100 in 1985, to 38,800 in 1987, and 35,700 in 1989 in the women's blouse and shirt industry. Declines were also noted when comparing July 1990 and July 1989 counts.

A growing market share of clothing imports has contributed to this downward trend, as developing countries offer a significant labor cost advantage over U.S. producers, creating intense competition. Many manufacturers are also taking advantage of the 807A provision, which allows them to cut fabric, and ship these parts for assembly to a foreign country where labor costs are lower, then import the finished garment. As a result, some U.S. apparel firms have wholly-owned or jointly-owned overseas plants.

GENERAL INDUSTRY STATISTICS

Employment & Earnings (continued)

Sagging consumer demand has also had an influence on employment as retailers cut back on orders because of higher inventory levels. In addition, the industry is facing a labor shortage, according to the International Trade Commission, as tighter immigration policies prevent an influx of additional workers, and higher wages offered by other industries are luring workers away from the apparel industry. (BLS figures on average annual employment differ somewhat from Census Bureau computations due to a difference in methodology.)

Employment & Earnings in Selected Women's Sportswear & Separates Industries: 1988-1990

	September Average			Annual Average		
	1990(p)	1989	% Change 1990/89	1989	1988	% Change 1989/88
Women's, misses' & juniors' blouses (SIC2331*):						
All employees (thous.)	39.5	42.7	-7.5%	42.1	44.6	-5.6%
Production workers (thous.)	32.4	35.4	-8.5	34.8	36.8	-5.4
Avg. weekly earnings	$202.6	$185.5	9.2	$188.51	$183.65	2.6
Avg. hourly earnings	5.66	5.36	5.6	5.31	5.13	3.5
Avg. weekly hours	35.8	34.6	3.5	35.3	35.8	-0.8
Women's, misses' & juniors' outerwear, n.e.c. (SIC 2339*):						
All employees (thous.)	176.2	182.5	-3.5	180.1	178.2	1.1
Production workers (thous.)	149.3	154.1	-3.1	152.2	150.0	1.3
Avg. weekly earnings	$218.9	$211.8	3.4	$214.67	$206.92	3.7
Avg. hourly earnings	6.20	6.07	2.1	6.03	5.8	4.3
Avg. weekly hours	35.3	34.9	1.1	35.6	35.8	-0.6
Knit outerwear mills (SIC 2252*):						
All employees (thous.)	64.0	67.3	-4.9	70.2	68.9	1.9
Production workers (thous.)	56.0	59.6	-6.0	62.3	61.5	1.3
Avg. weekly earnings	$282.2	$ 269.5	4.7	$262.13	$251.52	4.2
Avg. hourly earnings	7.33	6.84	7.2	6.67	6.40	4.2
Avg. weekly hours	38.5	39.4	-2.3	39.3	39.3	0.0

See page 4 for definitions of SIC codes.
n.e.c. not elsewhere classified
(p) preliminary

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

Industry Concentration

Available statistics on industry concentration by employment size of establishments is given below, and compares data from the 1982 and 1987 census years.

GENERAL INDUSTRY STATISTICS

Industry Concentration (continued)

Knit Outerwear Industry Statistics By Employment Size of Establishments

			% Distribution by # of Employees			
		Total	Under 20	20-49	50-99	100 or More
Women's, misses' & juniors' blouses (SIC 2331)						
Establishments:	1987	1,496	42.5%	27.8%	16.7%	13.0
	1982	1,955	43.2	26.0	18.3	12.6
Employees: (thous.)	1987	73.4	7.4	18.4	23.2	50.3
	1982	92.3	6.8	18.3	12.3	48.5
Value added by manufacture: (mil. of $)	1987	$1,918.1	10.8	20.2	22.6	46.5
	1982	1,843.6	10.7	19.5	25.1	44.7
Value of Industry Shipments: (mil. of $)	1987	$3,831.2	11.6	20.9	22.7	44.7
	1982	3,896.2	12.7	21.9	24.9	40.4
Women's, misses' & juniors' outerwear, n.e.c. (SIC 2339)						
Establishments:	1987	2,198	55.2	20.6%	11.9%	12.3
	1982	1,746	40.5	26.4	16.0	17.1
Employees: (thous.)	1987	107.3	7.7	13.5	17.3	61.4
	1982	110.9	5.0	13.4	17.7	63.8
Value added by manufacture: (mil. of $)	1987	$2,914.3	8.2	12.8	17.6	61.4
	1982	2,261.2	6.1	14.1	18.5	61.3
Value of Industry Shipments: (mil. of $)	1987	$5,663.4	9.0	12.5	18.7	59.8
	1982	4,833.9	7.5	15.5	18.2	58.8
Knit Outerwear Mills (SIC 2339)						
Establishments:	1987	824.0	46.6	23.9	14.8	14.7
	1982	923.0	47.8	24.2	13.0	15.1
Employees: (thous.)	1987	59.0	4.9	10.8	14.2	70.1
	1982	668.0	5.1	10.8	12.3	71.9
Value added by manufacture: (mil. of $)	1987	$1,678.0	5.9	8.5	12.6	73.0
	1982	1,705.0	7.1	8.4	9.3	75.2
Value of Industry Shipments: (mil. of $)	1987	$3,255.0	6.2	7.9	13.1	72.8
	1982	3,182.0	8.6	8.6	9.7	73.1

Source: U.S. Bureau of the Census:
1987 Census of Manufactures (MC-87-22B, 23B)

GENERAL INDUSTRY STATISTICS

Location of the Industry

According to 1987 Census Bureau data, California, New York and Pennsylvania were the states with the largest concentration of plants in the women's sportswear/casual wear industries. California held a 30.8% share of the total value added by manufacture in the women's blouse industry, and a 22.7% share in the women's outerwear, n.e.c. industry, while New York held the greatest share (19.8%) of this value in knit outerwear mills.

Industry Statistics For Leading States, 1987

Industry	All Plants		Employees		Value Added By Manufacture	
	Total	With 20+ Employees	No. (thous.)	%	Mil. $	%
Women's, misses' & juniors' blouses & shirts (SIC 2331)						
U.S. total	1,496	860	73.4	100.0	$1,918.1	100.0%
California	485	226	15.0	20.4	590.2	30.8
New York	294	126	7.2	9.8	338.6	17.7
Pennsylvania	173	133	10.2	13.9	174.3	9.1
Florida	76	35	2.3	3.1	58.3	3.0
New Jersey	62	29	2.1	2.9	61.3	3.2
Women's, misses' & juniors' outerwear, n.e.c. (SIC 2339)						
U.S. total	2,198	985	107.3	100.0	$2,914.3	100.0
California	671	245	22.4	20.9	661.7	22.7
New York	461	194	12.8	11.9	499.0	17.1
Pennsylvania	132	80	6.9	6.4	129.1	4.4
Florida	132	41	3.6	3.4	113.2	3.9
Texas	75	32	6.4	6.0	182.7	6.3
Knit Outerwear Mills						
U.S. total	824	440	59.0	100.0	$1,677.8	100.0
New York	371	179	12.7	21.5	332.2	19.8
New Jersey	73	41	2.6	4.4	70.4	4.2
California	71	33	D	-	D	-
North Carolina	55	39	D	-	D	-
Pennsylvania	52	38	5.7	9.7	225.3	13.4

D Data withheld to avoid disclosure for individual companies.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures (MC-87-I-22B, 23B)

GENERAL INDUSTRY STATISTICS

Plant Capacity Utilization

In the fourth quarter of 1988, Knit Outerwear Mills in the U.S. operated at 83% of the industry's preferred rate, compared with an operating rate of 95% of the preferred level in fourth quarter of 1986. The preferred rate in the Women's, Misses' and Juniors' Outerwear n.e.c. Industry rose from 68% in fourth quarter 1986 to 76% in fourth quarter 1988. The preferred level is defined as a level, normally between actual operations and practical capacity, which the manufacturer would prefer not to exceed due to costs or other considerations.

Capacity Utilization Rates: Fourth Quarters 1985 - 1988
(Percent of preferred level)

	1988	1987	1986	1985
Women's, misses' & juniors' outerwear, n.e.c.	76	83	68	88
Knit outerwear mills	83	80	95	93

nr not reported
n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census, Current Industrial Reports Survey of Plant Capacity, 1988 (MQ-C1(88)-1)

LEADING MANUFACTURERS

Activewear

The trade publication, SportStyle, compiles an annual list of the top companies in the activewear industry. Following are the top five manufacturers in specified activewear categories with sales figures for the year 1989. Sources are market estimates or statements by corporate officers. All figures include sales of men's and children's as well as women's products.

Leading U.S. Manufacturers of Specified Activewear, Based On Estimated 1989 Sales
(Including, men's, women's & children's wear)

	Estimated Sales (mil. $)		Estimated Sales (mil. $)
Fleece:		Golf Apparel:	
Top 5, total	$1,410.0	Top 5, total	$ 159.5
Russell	378.0	Izod	46.0
Tultex	334.0	Aureus	45.5
Bassett-Walker	300.0	La Mode	25.0
Pannill	278.0	Leon Levin	22.0
Champion	120.0	Pickering	21.0

(continued)

LEADING MANUFACTURERS

Activewear (continued)

Leading U.S. Manufacturers of Specified Activewear, 1989
Based On Estimated 1989 Sales

(Including, men's, women's & children's wear)
(continued)

	Estimated Sales (mil. $)
Beachwear:	
Top 5 total	$ 604.7
Ocean Pacific	288.0
Gotcha	100.0
Body Glove	74.0
Hobie	72.0
Quiksilver	70.7
Athletic Footwear Mfrs. Apparel:	
Top 5, total	$ 436.1
Nike	234.0
Adidas	110.0
Reebok	42.1
L.A. Gear	32.0
Puma	18.0
Rugged Outerwear:	
Top 5, total	$ 298.0
Woolrich	148.0
Pacific Trail	90.0
Patagonia	26.0
Helly-Hansen	20.0
The North Face	14.0
Activewear:	
Top 5, total	$1,911.0
Russell	688.0
Tultex	334.0
Ocean Pacific	311.0
Bassett-Walker	300.0
Pannill	278.0
Ski Apparel:	
Top 5, total	$ 159.1
Columbia	43.0
Head	35.2
Sport Obermeyer	32.5
CB	27.5
Roffe	20.9

	Estimated Sales (mil. $)
Hunting/Fishing Apparel:	
Top 5, total	$ 95.3
Woolrich	33.0
Walls	23.5
Columbia	16.0
Saf-T-Bak	15.0
Red Head	7.8
Tennis Apparel:	
Top 5, total	$ 104.5
LeCoq Sportif	30.0
Head Sportswear	25.0
Sergio Tacchini	22.0
Fila	14.5
Ellesse	13.0
Competitive Swimwear:	
Top 5, total	$ 83.5
Speedo	52.4
The Finals	13.2
Arena	9.0
Tyr	4.9
Hind	4.0
Performancewear:	
Top 5, total	$ 210.0
Danskin	50.0
Jacques Moret	50.0
Weekend Exercize	49.0
Gilda Marx	35.0
Hind	26.0
Cyclewear:	
Top 5, total	$ 22.7
Descente	5.5
Bellweather	4.8
Nike	4.8
Tinley	4.5
Hind	3.2

Source: SportStyle, June 11, 1990

PRODUCTION

U.S. production of most types of women's sportswear/casual wear, has continued to decline, caused somewhat by a weak retail market which has led stores to cut back on orders of both domestic and imported items in an effort to keep inventories lean. Competition from imported merchandise has also been great, as the low wage levels of importers from Third World nations allow for cheaper prices than U.S. made items, although the drop in the value of the U.S. dollar tends to push up the price of imports sold in the U.S.

Information on domestic production is reported in the Current Industrial Reports covering surveys by the Census Bureau, among manufacturers, contractors and jobbers except very small firms. These figures include garments cut in the U.S., assembled abroad, and then sent back to the U.S. producers, under the "Special Provisions," Chapter 98 Harmonized Tariff Schedules which cover Caribbean Basin and some other countries.

Unit production declined in 1989 for most of the specified sportswear/casual wear reported for women's, misses' and juniors'. The popularity of vests in 1989 was reflected in the 69.2% increase over 1988 production.

Summary of Production of Women's, Misses' & Juniors'
Sportswear/Casual Wear: 1988, 1989
(Thousands of dozens, unless otherwise specified)

	1989	1988	% Change 1989/88
Skirts*	87,129	106,622	-18.3%
Slacks, excl. dungarees & jeans	143,502	150,007	- 4.3
Jeans & dungarees	75,666	83,481	- 9.4
Blouses & shirts	24,081	25,537	- 5.7
Woven	15,807	16,259	- 2.8
Knit	8,274	9,278	-10.8
Sweaters	4,639	5,324	-12.9
Activewear:			
Sweat shirts	3,605	3,312	8.8
Sweat pants	2,183	1,998	9.3
Warm-up or jogging suits	842	1,349	-37.6
Swimsuits	3,382	3,248	4.1
Ski jackets, incl. ski vests	15	24	-37.5
Ski pants	16	11	45.5
Separate tailored suit type jackets*	16,938	22,284	-24.0
Nontailored outer jackets excluding ski*	4,324	4,884	-11.5
Vests, excl. sweater vests*	927	548	69.2
Shorts, incl. jogging & tennis	3,001	2,694	11.4
Playsuits, beach tops, halters & other playgarments	415	457	- 9.2
Body suits & body shirts	743	557	33.4

* thousands of units

Source: U.S. Bureau of the Census:
Current Industrial Reports,
Apparel (MA-23A 89) Sept. 1990

PRODUCTION

Construction/Fabric Type

Percent Distribution of Women's, Misses' & Juniors' Sportswear Unit Production by Construction/Fabric: 1988, 1989

	1989	1988
Skirts	100.0%	100.0%
All cotton & chiefly cotton	30.0	28.3
Manmade/wool blends, chiefly manmade	14.9	15.9
All manmade & chiefly manmade, except manmade/wool blends	34.9	35.4
All wool & chiefly wool	10.2	7.8
All other fabric	2.2	1.9
Fabric, n.s.k.	7.7	10.7
Pants		
Slacks, except dungarees & jeans	100.0%	100.0%
All cotton & chiefly cotton	38.2	32.2
Manmade/wool blends, chiefly manmade	16.9	13.1
All manmade & chiefly manmade except manmade/wool blends	36.0	43.7
All wool & chiefly wool	2.2	4.3
All other fabric	4.1	4.2
Fabric, n.s.k.	2.6	2.5
Jeans & dungarees	100.0%	100.0%
All cotton & chiefly cotton	77.0	79.2
All manmmade & chiefly manmade	20.9	14.6
Fabric, n.s.k.	2.1	6.3
Woven blouses & shirts	100.0%	100.0%
All cotton & chiefly cotton	41.6	37.8
All manmade & chiefly manmade	50.4	51.7
All silk & chiefly silk	0.3	0.5
All wool & chiefly wool	0.1	0.2
All other fabric	3.6	5.7
Fabric, n.s.k.	3.9	4.1
Knit shirts & blouses:		
Knit T-shirts & tank tops made for outerwear (incl. long sleeve long sleeve shirts)	100.0%	100.0%
All cotton & chiefly cotton	47.9	43.4
All manmade & chiefly manmade	29.7	26.9
Fabric, n.s.k.	22.4	29.7
All other knit shirts	100.0	100.0
All cotton & chiefly cotton	41.9	39.1
All manmade & chiefly manmade	47.7	47.0
All wool & chiefly wool	0.1	0.1
All other fabric, n.s.k.	D	D
Fabric, n.s.k.	D	D

(continued)

PRODUCTION

Construction/Fabric Type (continued)

Percent Distribution of Women's, Misses' & Juniors' Sportswear Unit Production by Construction/Fabric: 1988, 1989

(continued)

	1989	1988
Sweaters	100.0%	100.0%
All cotton & chiefly cotton	39.8	39.2
All manmade & chiefly manmade	43.7	42.7
All wool & chiefly wool	5.0	3.4
All other fabrics	D	D
Active Sportswear:		
Sweat shirts	100.0	100.0
All cotton & chiefly cotton	5.5	3.8
All manmade & chiefly manmade	85.7	87.8
Fabric, n.s.k.	8.8	8.5
Sweat pants	100.0	100.0
All cotton & chiefly cotton	D	D
All manmade & chiefly manmade	99.5	99.2
Warm-up or jogging suits	100.0	100.0
All cotton & chiefly cotton	11.0	6.6
All manmade & chiefly manmade	75.2	75.8
Fabric, n.s.k.	13.8	17.6
Swimsuits	100.0	100.0
All cotton & chiefly cotton	6.3	6.5
All manmade & chiefly manmade	88.2	89.7
Fabric, n.s.k.	5.5	3.8
Ski jackets, incl. ski vests	100.0	100.0
All cotton & chiefly cotton	--	--
All manmade & chiefly manmade	60.0	54.2
Fabric, n.s.k.	40.0	45.8
Ski pants	100.0	100.0
All cotton & chiefly cotton	--	--
All manmade & chiefly manmade	75.0	72.3
Fabric, n.s.k.	25.0	27.3
Separate tailored suit-type jackets	100.0	100.0
All cotton & chiefly cotton	17.4	14.2
Manmade/wool blends, chiefly manmade	23.1	19.3
All manmade & chiefly manmade, except manmade/wool blends	36.0	38.2
All wool & chiefly wool	14.8	17.0
All other fabrics	1.2	1.7
Fabric, n.s.k.	7.4	9.6

(continued)

PRODUCTION

Construction/Fabric Type (continued)

Percent Distribution of Women's, Misses' & Juniors' Sportswear Unit Production by Construction/Fabric: 1988, 1989 (continued)

	1989	1988
Nontailored outer jackets, excl. ski	100.0	100.0
All cotton & chiefly cotton	36.0	26.5
All manmade & chiefly manmade	32.4	51.2
All wool & chiefly wool	4.4	6.0
All other fabric	D	D
Fabric, n.s.k.	D	D
Vests, excl. sweater & coat vests	100.0	100.0
All cotton & chiefly cotton	33.1	D
All manmade & chiefly manmade	24.3	34.5
All wool & chiefly wool	D	D
All other fabric	D	D
Fabric, n.s.k.	40.7	44.0
Shorts, incl. jogging & tennis	100.0	100.0
All cotton & chiefly cotton	60.2	59.5
All manmade & chiefly manmade	31.7	35.5
All other fabric	D	D
Playsuits, beach tops, halters & other playwear	100.0	100.0
All cotton & chiefly cotton	39.5	38.9
All manmade & chiefly manmade	19.5	17.3
Fabric, n.s.k.	41.0	43.8
Bodysuits & body shirts	100.0	100.0
All cotton & chiefly cotton	D	D
All manmade & chiefly manmade	D	D
Fabric, n.s.k.	38.6	57.3

D data withheld to avoid disclosing figures for individual companies.
n.s.k. not specified by kind

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel (MA23A 89-1)

Despite increasing year-end retail difficulties in general, cotton merchandise sales surged, according to Cotton Incorporated. In 1989 versus 1988, cotton gained in each listed women's sportswear category, except sweaters, which remained the same at 30% of total fabric weight. Cotton accounted for a full 95% of fabric weight of women's jeans in 1989, compared with 92% in 1988.

PRODUCTION

Construction/Fabric Type (continued)

	Cotton's Percent of Fabric Weight In Women's Sportswear	
	1989	1988
Jeans	95%	92%
Shorts	70	68
Knit shirts	60	58
Slacks	46	44
Sweaters	30	30

Source: Cotton Incorporated

Materials Consumed in Production

Information on spending for materials and supplies by manufacturers classified in the industry is included in the Census of Manufactures, and summarized below.

Materials Consumed By Industry Classification: 1982, 1987
(Delivered Costs in millions of dollars)

	1987		1982	
Industry	Delivered Costs	% of Total	Delivered Costs	% of Total
Women's & misses' blouses (SIC 2331*), total	$1,258.1	100.0%	$1,236.9	100.0%
Broad woven fabrics	675.5	53.7	476.8	38.5
Knit fabrics	322.8	25.7	247.9	20.0
All other materials, containers & supplies	96.3	7.7	107.8	8.7
Unspecified materials, containers & supplies	163.6	13.0	404.4	32.7
Women's and misses outerwear, n.e.c. (SIC 2339*), total	1,900.3	100.0	1,638.3	100.0
Broadwoven fabrics	971.4	51.1	600.7	36.7
Knit fabrics	367.3	19.3	211.0	12.9
All other materials, containers & supplies	221.5	11.7	144.6	8.8
Unspecified materials, containers & supplies	340.1	17.9	682.0	41.6

(continued)

PRODUCTION

Materials Consumed in Production (continued)

Materials Consumed By Industry Classification: 1982, 1987

(Quantity in doz. unless otherwise noted, Delivered costs in mil. of $'s)

	1987			1982		
	Quantity	Del'd. Costs	% of total	Quantity	Del'd. Costs	% of total
Knit outerwear mills (SIC 2253*)						
(SIC 2253*) total	nr	1,238.8	100.0%	nr	1,047.9	100.0%
Fibers:						
Raw cotton#	nr	3.9	0.3	nr	nr	--
Raw wool##	1.6	3.5	0.3	nr	nr	--
Manmade (staple & tow)	nr	4.9	0.4	nr	nr	--
Purchased knit fabrics##	nr	13.7	1.1	nr	64.2	6.1
Carded cotton yarns	91	164.9	13.3	57.5	116.8	11.1
Combed cotton yarns##	84.2	161.4	13.0	19.8	44.2	4.2
Rayon & acetate pun yarns spun yarns##	nr	20.0	1.6	4.8	6.2	0.6
Nylon spun yarns	nr	8.4	0.7	2.2	5.0	0.5
Polyester spun yarns	70.7	111.3	9.0	44.7	81.3	7.8
Acrylic yarns	64	139.9	11.3	58.6	138.6	13.2
Wool yarns	10	29.2	2.4	11.9	39.9	3.8
Rayon & acetate filament yarns	nr	11.0	0.9	0.6	1.3	0.1
Nylon filament yarns	nr	21.5	1.7	6.8	16.8	1.6
Polyester filament yarns	nr	65.1	5.3	18.8	25.3	2.4
All other yarns	17.8	39.0	5.1	17.8	30.3	2.9
All other materials, containers & supplies	nr	402.3	32.5	nr	229.1	21.9
Uspecified materials, containers & supplies	nr	38.8	3.1	nr	249.9	23.8

nr not reported
* The SIC codes are explained on page 4.
# 1,000 bales
## millions of lbs.

Source: U.S. Census Bureau:
1987 Census of Manufactures

PRODUCT SHIPMENTS

Information on the value of shipments of women's, misses' and juniors' sportswear items, by all U.S. manufacturers, (including items classified in other industries based on their primary products) are published in the 1987 Census of Manufactures reports, part of the Census Bureau's economic census program compiled every 5 years. Comparisons with 1982 census data are shown in the following table.

PRODUCT SHIPMENTS

Value of Shipments By All U.S. Producers of Women's, Misses, & Juniors' Sportswear: 1982, 1987

(Millions of dollars, f.o.b. plant)

	No. of Companies With Shipments of $100,000 or More		Value of Shipments f.o.b. plant		% Change
	1987	1982	1987	1982	1987/82
SIC 2253*					
Women's, Misses' & Juniors':					
Sweaters	76	88	432.8	310.6	39.3%
Knit shirts & blouses	29	na	181.5	216.8	-16.3
Slacks, jeans & dungarees	10	9	24.2	52.8	-54.2
Swimwear	4	5	D	24.4	--
All other outerwear	30	48	203.4	213.6	- 4.8
SIC 2331*					
Women's, Misses' & Juniors':					
Knit shirts & blouses	281	na	1,070.3	3,212.0	- 1.1
Woven shirts & blouses	435	na	2,175.8	#	#
Blouses & shirts, n.s.k.	na	na	247.1	332.7	-25.7
SIC 2339*					
Women's, Misses' & Juniors':					
Bathing suits	60	58	471.4	387.1	21.8
Slacks, incl. jeans & jean-cut casual slacks	337	383	2,649.0	2,591.2	2.2
Sweaters, incl. sweater vests	77	52	240.0	169.7	41.4
Playgarments, incl. shorts, pedal pushers, etc.	126	87	241.1	195.1	23.6
All other outerwear, incl. jogging suits, ski suits, jackets, pants, etc.	165	138	499.8	192.2	160.0

* For description of SIC codes see page 4.
D withheld to avoid disclosing data for individual companies.
na not available
n.s.k. not specified by kind
# Included in the knit shirts & blouses figure.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

The value of product shipments are reported in greater detail in the Current Industrial Report, issued by the Census Bureau. These are developed through mail surveys among all known U.S. manufacturers and jobbers, except very small firms (usually fewer than five employees.) Apparel items which are cut in the U.S., assembled overseas and then sent back to U.S. producers are included in the CIR reports.

Shipments declined in many of the listed categories in 1989 compared with 1988, although vests, ski pants and body suits registered high gains. (Figures are in current dollars.)

Value of Shipments of Specified Women's Sportswear/Casual Wear: 1988, 1989

(Millions of dollars, f.o.b. plant)

	1989	1988	% Change 1989/88
Women's, Misses' & Juniors':			
Knit shirts & blouses	830	940	-11.7%
knit t-shirts, tank tops made for outerwear	301	284	6.0
All other knit shirts excl. sweatshirts	530	656	-19.2
Woven blouses & shirts	1,800	1,930	- 6.7
Sweaters	600	664	- 9.6
Jackets	742	827	-10.3
Separate tailored suit-type	633	715	-11.5
Nontailored outer jackets, excl. ski, incl. padded vests	110	113	- 2.7
Vests, excl. sweater vests, & coat vests	13	8	62.5
Pants	2,644	2,850	- 7.2
Slacks, excl. dungarees & jeans	1,703	1,823	- 6.6
Jeans & dungarees	941	1,027	- 8.4
Skirts	1,315	1,515	-13.2
Active Sportswear:			
Sweatshirts	224	198	13.1
Sweat pants	119	110	8.2
Warm-up or jogging suits	122	123	- 0.8
Swimsuits	502	499	0.6
Ski jackets, incl. ski vests	18	22	-18.2
Ski pants	13	11	18.2
Body suits & body shirts	69	57	21.1
Playgarments			
Shorts, incl. jogging & tennis	279	243	14.8
Playsuits, beach tops, halters, rompers, other playwear	57	53	7.5

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A 89-1)

PRODUCT SHIPMENTS

Leading States

Value of Shipments By All Producers of Specified Women's Sportswear/Casual Wear in Leading States: 1987

(Millions of dollars, f.o.b. plant)

	Value	1987 Percent
Women's, misses' & juniors'		
Knit shirts & blouses, U.S. total	$ 1,070.3	100.0%
(Made from purchased knit fabrics)		
California	293.3	27.4
New York	162.7	15.2
Pennsylvania	100.4	6.5
Women's, Misses' & juniors'		
woven shirts & blouses, U.S. total	$ 2,175.8	100.0
California	820.7	37.7
New York	616.1	28.3
Pennsylvania	140.9	6.5
Women's, missses' & juniors'		
sweater, U.S. total	432.8	100.0
New York	212.7	49.1
New Jersey	46.8	10.8
North Carolina	43.9	10.1
Pennsylvania	28.2	6.5
Women's, missses' & juniors'		
jackets & vests, U.S. total	$ 2,203.8	100.0
New York	537.5	24.4
New Jersey	454.1	20.6
North Carolina	259.9	11.8
Women's, missses' & juniors'		
slacks, incl. jeans & jean-cut casual slacks, U.S. total	$ 2,649.0	100.0
New York	509.0	19.2
New Jersey	464.5	17.5
North Carolina	253.4	9.6
Women's, missses' & juniors'		
bathing suits, U.S. total	$ 471.4	100.0
New York	198.3	42.1
New Jersey	80.7	17.1
North Carolina	11.5	2.4

Source: U.S. Bureau of the Census:
1987 Census of Manufactures (MC-87-I-22B, 23B)

PRODUCER PRICE INDEX

The Producer Price Index, a measure of average changes in factory prices, rose 2.1% for all women's apparel between July 1989 and July 1990, while the index for all commodities was up 1.3%. Annual averages for 1989 vs. 1988 show producer prices rising 4.5% for leather coats and jackets, 3.9% for bathing suits, and 3.2% for knit outerwear sport shirts. An 8% decline was noted in overall average women's apparel producer price levels.

Producer (Factory) Price Indexes for Selected Types
of Women's Sportswear & Separates:
July 1990, Dec. 1989, Annual Average 1989
(1982 = 100 unless otherwise specified)

	July		December		Index Annual Avg.	
	1990	% Change 90/89	1989(r)	% Change 89/88	1989(r)	% Change 89/88
All commodities	114.3	1.3	113.0	3.7%	112.3	5.0%
All apparel	117.5	2.7	115.7	2.3	114.5	2.0
Women's apparel	115.8	2.1	114.7	1.5	113.5	-8.0
Skirts, incl. uniform	107.6	-1.3	106.8	-11.1	108.6	-0.2
Slacks, jeans & dungarees (12/84 = 100)	101.1	2.4	100.5	1.0	99.2	2.7
Blouses & shirts, except knit sport & sweat shirts	144.7	3.4	142.7	3.3	139.6	--
Sweaters, jackets & jerseys (12/84 = 100)	112.0	1.1	na	--	na	--
Knit outerwear sport shirts incl. sweatshirts	na	na	139.8	5.1	135.8	3.2
Bathing suits	141.3	13.6	140.0	6.8	129.2	3.9
Leather coats, jackets (12/85 = 100)	116.6	-0.3	117.2	6.2	115.9	4.5

na not available
(r) revised

Source: U.S. Department of Labor,
Bureau of Labor Statistics

FOREIGN TRADE

Imports & Exports

Although the trade deficit for all apparel continued to rise in 1989, was slower than in previous years. According to the International Trade Administration, this slowdown was caused somewhat by three factors: tighter bilateral trade agreements, higher wage rates and other costs in the key Asian exporting countries, and the relatively low value of the dollar. U.S. development of the Free Trade Agreement with Canada in 1989, which will completely phase out import duties between the two countries over 10 years and create the world's largest open market, is another factor which should impact apparel trade by providing new opportunities to U.S. exporters.

FOREIGN TRADE

Imports & Exports

Conversion to the new Harmonized Tariff Schedule by the U.S. Customs Bureau in 1989 has interrupted the regular reports by the Census Bureau on imports by commodity, as well as comparability of available data with published reports for earlier years, which were based on the Tariff Schedule of the U.S. (TSUSA) system.

Data for import and export value of specified women's and children's sportswear items for 1989, listed below, was reported by the Census Bureau.

Summary of U.S. Imports & Exports of Women's & Children's Sportswear & Separates: 1989
(thous. of dollars)

	General Imports Customs value*	Exports F.A.S. value**
Skirts & divided skirts:	$761,297	$33,187
not knit	617,170	29,366
knit	144,127	3,821
Trousers, overalls, shorts, etc.:	2,411,292	121,973
not knit	1,974,109	81,328
knit	437,183	40,645
Blouses, shirts, etc.:	2,324,629	56,282
not knit	1,681,709	33,821
knit	642,920	22,461
Swimwear:	74,972	5,768
not knitted or crocheted	4,231	1,200
knitted or crocheted	70,741	4,568

* Customs value is the price paid or payable for merchandise when sold for exportation to the U.S., excluding U.S. import duties, freight, insurance, and other charges incurred in bringing the merchandise to the United States.

** F.A.S. value (free alongside ship) is the value of exports at the U.S. port of export, based on the transaction price, including inland freight, insurance, and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation.

Source: U.S. Bureau of the Census:
U.S. Merchandise Trade: Exports,
General Imports & Imports for Consumption
(FT 925/December 1989)

Imports

Information from the U.S. Census Bureau shows increases in imports of all listed women's and children's sportswear except skirts.

Imports (continued)

Quantity & Value of Imports For Consumption in the U.S.: 1988, 1989
(Quantity in thous. of dozens; Value in mil. of dollars)

	Quantity			Value*		
	1989	1988	% Change 1989/88	1989	1988	% Change 1989/88
Women's, Girls', Infants' Sportswear/casual wear						
Total listed items	127,902	115,019	11.2%	$10,858.1	$9,590.0	13.2%
Sweaters**	18,897	16,916	11.7	2,473.7	2,205.5	12.2
Blouses & shirts	63,972	54,248	17.9	4,370.3	3,769.6	15.9
Skirts#	7,432	8,192	-9.3	935.5	936.4	-0.1
Slacks & shorts##	36,137	34,642	4.3	2,990.0	2,623.1	14.0
Swimsuits###	1,464	1,021	43.4	88.6	55.2	60.5

* The C.I.F. value (which includes the cost of merchandise, insurance, freight, and other charges involved in bringing the merchandise from the country of exportation to the first port of arrival in the U.S.), plus U.S. import duties.
** excludes other fibers
# excludes silk not ornamented
## excludes some wool under $5.00 per lb.
###excludes wool ornamented

NOTE: Imports for consumption measures the total of merchandise that has cleared through customs, whether such merchandise enters consumption channels immediately or is withdrawn for consumption from warehouses under customs custody or is entered into U.S. customs territory from Foreign Trade Zones.

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A 89)

China continued to be the number one supplier of imported apparel to the U.S., growing 8.6% in share of all apparel imports in the first half of 1990. Imports from Hong Kong, the number two supplier, were also up 6.3%. Shipments from Taiwan and Korea, other large Far Eastern suppliers, declined, partly due to their rising currencies, as both countries sought out cheaper labor areas other than their own in Southeast Asia and the Caribbean, according to the ILGWU.

Drawing on available Census Bureau information, the ILGWU has also compiled data on imports of specified women's and children's sportswear by fabric type. Garments made of cotton gained in many categories, while those made of wool declined.

FOREIGN TRADE

Imports (continued)

Imports of Selected Women's & Children's Wear, 1985-1989

(Thousands of Units)

	1989	1988	1987	1986	1985
Blouses	271,508	259,895	285,770	300,611	252,128
Cotton	138,119	134,801	164,222	160,071	136,510
Wool	1,303	2,315	2,593	3,075	3,140
Synthetic	121,175	111,390	108,246	137,464	112,478
Other	10,911	11,388	10,709	na	na
Knit shirts	527,060	422,485	451,534	417,593	329,041
Cotton	241,704	214,884	200,883	162,825	113,419
Wool	7,264	9,141	8,838	10,087	8,845
Synthetic	275,874	195,354	240,392	244,681	206,777
Other	2,218	3,107	1,421	na	na
Sweaters (men's, women's, children's)	307,269	263,556	331,661	352,171	326,137
Cotton	26,466	24,392	25,538	24,324	20,715
Wool	29,572	34,820	38,219	41,653	44,472
Synthetic	138,108	127,110	145,475	149,623	146,001
Silk	6,119	10,127	15,067	9,289	19,949
Other	107,004	67,107	107,362	127,289	95,000
Skirts	85,595	96,816	117,195	n.c.	n.c.
Cotton	40,024	50,841	63,053	38,450	27,236
Wool	4,618	5,157	6,713	n.c.	n.c.
Synthetic	35,988	35,695	40,084	n.c.	n.c.
Other	4,955	5,124	7,341	4,751	432
Slacks & shorts	446,054	363,379	352,452	n.c.	n.c.
Cotton	247,635	204,627	189,093	182,205	156,871
Wool	3,836	4,066	3,586	n.c.	n.c.
Synthetic	157,927	132,350	134,810	n.c.	n.c.
Other	36,656	22,335	24,963	na	na
Playsuits (men's, women's, children's)	45,799	52,276	58,706	69,334	52,446

na not available

n.c. not comparable with data beginning 1987 because of classification changes stemming from the Harmonized System.

Source: ILGWU based on U.S. Bureau of the Census reports

Imports of sweaters (in terms of units) represented 78% of total U.S. consumption (new supply in 1989) up from 72.8% in 1988, and 64.4% in 1983. Of blouses and shirts consumption, imports accounted for 60.7% in 1989, compared with 55.4% in 1988, and 33% in 1983. The share held by imports in 1989 of total consumption of women's and children's slacks and shorts was 55.3% compared with 52.7% in 1988, and only 25.4% in 1983.

Imports (continued)

Apparent Consumption & Imports Share: 1988-1989

Women's, Girls', Infants' Sportswear/casual wear	Apparent Consumption* 1989	Apparent Consumption* 1988	Percent Imports to Apparent Consumption 1989	Percent Imports to Apparent Consumption 1988
QUANTITY (thous. of dozens)				
Sweaters	24,220	23,226	78.0%	72.8%
Blouses & shirts	105,326	97,873	60.7	55.4
Slacks & shorts	65,374	65,707	55.3	52.7
Skirts	14,875	17,447	50.0	47.0
Swimsuits	5,505	4,783	26.6	21.3
VALUE (thous. of dollars)				
Sweaters	$ 3,146	$ 2,953	78.6%	74.7%
Blouses & shirts	8,330	7,681	56.8	49.1
Slacks & shorts	7,244	6,248	41.3	42.0
Skirts	2,298	2,504	40.7	37.4
Swimsuits	644	599	13.8	9.2

* Apparent consumption represents new domestic supply, and is derived by subtracting exports from the sum of U.S. manufacturers' shipments plus imports.

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A 89-1)

The following Census Bureau data on 1989 "Special Provision" imports represents apparel cut in the U.S., sent outside the country to be sewn, and then returned to the U.S. under the terms of Chapter 98, Special Classifications Provisions of the Harmonized Tariff Schedules of the U.S., and is included in domestic output, imports, and exports (formerly 807 "Caribbean Basin Initiative" plan).

Quantity & Value of Special Provision Imports

(Quantity in thousands of dozens; Value in millions of dollars)

		Value		
	Quantity	U.S. Content*	Total Value**	U.S. Content % of Total
Women's, Girls', Infants'				
Total listed items	10,005	$ 283.6	$ 507.2	55.9%
Sweaters	14	0.2	2.6	7.7
Blouses & shirts	3,808	88.0	161.6	54.4
Skirts	803	34.4	63.7	54.0
Slacks & shorts	5,230	157.6	273.8	57.6
Swimsuits	150	3.4	5.5	61.8

* Represents the value of U.S. fabricated components

** c.i.f. (cost, insurance, freight) value which includes the U.S. components and foreign processing. Import duties are not included.

Source: U.S. Bureau of the Census
Current Industrial Reports MA23A(89-1)

FOREIGN TRADE

Imports (continued)

According to the International Ladies Garment Workers Union (ILGWU), imports of women's and childrens' apparel slowed down during the first six months of 1990 versus that of 1989, due to a weak retail market and declining consumer confidence. Buyouts and mergers at both retail and wholesale levels also affected choices between domestic and foreign suppliers, as well as between sourcing in one country or another.

The largest gain of 46% was noted in imports of women's and children's playgarments, during the first half of 1990. Gains were also reported for knit shirts, skirts and pants. Sweater imports dropped 38%, however, while woven blouse imports fell 4%.

Exports

According to the ITA, although the exchange rate of the dollar firmed up somewhat in 1989, apparel exports still expanded. Much of the gains have been attributed to those garments shipped unassembled to the Caribbean Basin and Mexico, then returned to the U.S. after assembly. A large percentage of U.S. exports went to the Dominican Republic, Jamaica, Costa Rica and Haiti, the largest Caribbean suppliers; Mexico and Columbia were also big recipients. The dollar has generally been weaker against major currencies in 1990, making U.S. merchandise less expensive abroad.

Quantity & Value of Exports of Specified Apparel: 1988, 1989
(Quantity in thousands of dozens; Value in millions of dollars at port)

	Quantity			Value*		
	1989	1988	% Change 1989/88	1989	1988	% Change 1989/88
Women, Girls, Infants						
Sportswear/casual wear						
Total listed items	6,919	5,125	35.0%	$229.5	$158.3	45.0%
Sweaters	212	55	285.5	8.8	3.6	144.4
Blouses & shirts	2,598	2,321	11.9	67.2	57.7	16.5
Skirts	780	374	108.6	33.2	18.1	83.4
Slacks & shorts	3,181	2,216	43.5	114.5	73.8	55.1
Swimsuits	148	159	- 6.9	5.8	5.1	13.7

* free alongside ship at U.S. port of embarkation.

Source: U.S. Bureau of the Census:
Current Industrial Reports MA23A(89-1)

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

The age profile of the population exerts an influence on sizes, demand and preferences for women's apparel styles. Projections on population growth for females by age groups, compiled by the Census Bureau, show the 35 to 54 year old age segment will account for 29.8% of the total female population by the year 2000, up from 25.1% in 1990.

Females aged 55 to 64 years old will also increase from 8.8% in 1990, to 9.2% in 2000, and to 12.7% in 2010. The median age of the female population will rise from 34.2 years in 1990 to over 40 in 2010. In contrast, the number of 20 to 34 year olds will decline 9%, and those under 16 years old will fall 4.1% by 2010. The number of 16 to 19 year olds is expected to remain about the same.

According to Simmons Market Research Bureau, almost 70% of middle-aged women are employed, and about 60% of women aged 35 to 54 have household incomes of $30,000 or more compared with 40% of younger women, and 25% of older women. With such economic independence, these consumers desire quality and fashions to fit their lifestyles. Changes in consumer needs and preferences will demand a response from apparel manufacturers.

The Female Population of the U.S.: 1990, 2000, 2010
By Age Group
(Middle Series *)

	Number (thousands)			% Change	% Distribution		
	1990(e)	2000(p)	2010(p)	2010/1990	1990(e)	2000(p)	2010(p)
Total, all ages	128,167	137,076	144,241	12.5%	100.0%	100.0%	100.0%
Under 16 years	28,012	28,333	26,875	- 4.1	21.9	20.7	18.6
16 years & older	100,155	108,742	117,366	17.2	78.1	79.3	81.4
16-19 years	6,886	7,440	7,410	7.6	5.4	5.4	5.1
20-34 years	31,110	27,198	28,316	- 9.0	24.3	19.8	19.6
35-54 years	32,193	40,893	40,391	25.5	25.1	29.8	28.9
55-64 years	11,260	12,601	18,257	62.1	8.8	9.2	12.7
65 & over	18,706	20,608	22,991	22.9	14.6	15.0	15.9
Median age (years)	34.1	37.6	40.3	18.2	--	--	--

* Middle of a series of three different projections, each based on alternative assumptions for future fertility, mortality, and net immigration levels.
(e) estimated
(p) projected

Source: Based on U.S. Bureau of the Census:
Current Population Reports,
Series P-25, No. 1018 (Jan. 1989)

THE POTENTIAL MARKET

Large Size Market

According to industry sources, the large-size women's wear market, which is valued at $10 billion plus, has become one of the fastest growing retail sectors, and has the potential to become more profitable for stores than misses apparel. This market is projected to triple in size during the 1990's, as nearly half of all women in the U.S. over 18 years of age wear a size 14 or larger, with 45% of these between 24 and 35 years old. Research by Lane Bryant, a specialty large-size clothing store, estimates that 46% of the women who wear size 16 or larger have annual family incomes of $30,000 or more.

Many retailers are carrying broad assortments of large-size lines, and have been trading up to better-priced items. One specialty chain, The Forgotten Woman, has been working with designers to offer the larger-sized versions of the designers existing styles on an exclusive basis. Other specialty chains, important in the $10 billion-plus market segment, are Lane Bryant, August Max Woman (formerly Sophisticated Woman), and Lerner Woman/Sizes Unlimited.

The large-size market was ignored by makers of athletic apparel in the past due somewhat to stereotypes about the low activity level of full-figured women. Activewear manufacturers, however, have discovered the need for clothing for such athletic women, and thus companies such as Danskin Plus and Body Wrappers, Inc. have begun to offer bodywear in larger sizes, while Beautiful Skier, Inc. offers skiwear and other sports apparel, according to SportStyle. A large-size petite category has also begun to emerge in the jeans segment. Good sales results were achieved by Lee, Chic and Cherokee, the first jeans manufacturers to offer this size classification.

In order to further strengthen the image of the large-size industry, and to publicize its top-of-the-line collections, a group of 11 domestic and international large-size apparel firms have formed the Plus Size Designers Council, according to Women's Wear Daily. This group conducts seminars, fashion shows at selected retailers in key metropolitan areas, in an attempt to educate the large-size customer on how to build an investment wardrobe, detect her figure type, and choose colors and accessories. They also work with retailers to develop ways to promote the line and encourage sales.

The Petite-Size Market

Many manufacturers and retailers are realizing the great potential of the women's petite-size market, which totals approximately $11 billion in sales per year for all women's categories. With sales increasing 108% from 1983 to 1989, this segment outgrew sales of the women's apparel market overall, which posted a gain of 35%.

According to Kurt Salmon & Associates, adult women (over 18 years old), who call themselves petite, represent 20% of the $53.3 billion of the women's wear market, two times the size of the junior market. The number of manufacturers offering junior sizes, however, are much more plentiful than those catering to petite sizes. The majority of petite women have incomes over $30,000 per year, and are between the ages of 35 to 44. Their sizes and weight vary greatly, as about 21% are size 6 or smaller, while 17% wear a size 12 or larger, and 11% are over 140 lbs., according to KSA. Those wearing larger sizes represent the large-size petite category, another under-served niche.

The Petite-Size Market (continued)

The top department stores account for about 23% of petite sales, a larger share than other types of retailers. A few retail chains specializing in woman's petite-size clothing have also become successful.

Bridge Apparel

Although bridge apparel was once just considered a lower-price translation of designer apparel, today this business is coming into its own, with the appearance of new, well-conceived lines and more thoughtful merchandise at retail, according to Women's Wear Daily.

WWD finds that the category is moving away from just suits and traditional career silhouettes, and shifting toward sportswear with relaxed looks, more color, and softer shapes. Donna Karan's DKNY line, which includes lifestyle dressing, casual and modern styles as well as traditional career styles, has given greater prestige to bridge departments all over the country. The customers' demands for interchangeable, casual pieces has also encouraged other bridge designers, such as Anne Klein II and Ellen Tracy, to also change design direction. As a result, a profusion of new, exciting lines have emerged, giving the category a diverse mix of soft and structured clothing.

The bridge customer isn't just a career customer anymore, as sportswear separates have become the key category in bridge right now. This customer, typically a working woman between the ages of 35 and 65, according to one retailer, demands the same fashion as the designer customer, and would stay in the bridge area for all her needs if the categories were offered.

The bridge business, WWD reports, owes some of its newfound respect to record apparel inflation. The escalation of designer prices, which jumped about 40 to 50 percent in the last two years, has triggered a great interest in the bridge market, where prices are now about equal to designer prices of two years ago.

CONSUMER EXPENDITURES

An on-going survey of household spending is conducted by the U.S. Dept. of Labor, Bureau of Labor Statistics, through diaries and interviews. Information on apparel purchases of all types is collected through interviews among a representative U.S. sample of approximately 5,000 consumer units (households) each quarter. The following table covers 1988 survey results projected to 94,862,000 U.S. consumer units, including in the base both purchasers and non-purchasers. A consumer unit is roughly equivalent to households, but not exactly, as a household member with independent income and spending patterns is separately counted in the consumer unit count, but not in the household count as defined by the Census Bureau.

Following are patterns in spending in 1988 by consumer unit income level.

Average Expenditures Per Household for Women's Sportswear By Quintiles of Income Before Taxes: 1988

	Total Reporting	Lowest 20%	Second 20%	Third 20%	Fourth 20%	Highest 20%
Avg. age of houesholder (yrs)*	46.9	51.8	49.6	45.4	42.9	44.8
Avg. size of household (persons)	2.6	1.8	2.3	2.6	3.0	3.1
Avg. household income after taxes	$26,149	$ 4,854	$12,309	$21,174	$32,125	$60,157
Avg. expenditures: */**						
Women's vests & sweaters	36.7	13.3	20.5	46.5	35.6	67.4
Shirts, tops, blouses	85.5	36.8	58.5	78.2	101.3	152.5
Skirts	29.2	10.8	16.6	23.6	31.7	63.9
Pants	66.8	27.5	44.5	59.6	99.8	102.6
Shorts/short sets	14.2	5.0	8.1	10.8	19.9	27.0
Activewear	23.1	7.8	11.2	23.5	36.7	36.3

* The householder is the spokesperson for the household--the one who owns the house or pays the rent.

** Based on all households, including both purchasers and non-purchasers.

Differences in women's sportswear spending patterns by regions of the U.S. are noted in the BLS interview surveys in 1988. The following from the 1988 annual report shows that average expenditures per consumer unit for purchases of vests, sweaters and activewear were highest in the Northeast, while the West registered the higest average expenditures for pants, tops, and shorts/ short sets. Average spending for skirts per consumer unit was highest in the South.

Spending Patterns of Consumer Units For Women's Sportswear By Region: 1988

	U.S.	Northeast	Midwest	South	West
Distribution of consumer units (households)					
Number(000)	94,862	20,029	23,931	31,653	19,248
Percent	100.0	21.1	25.2	33.4	20.3
Avg expenditures:*					
Women's:					
Vests & sweaters	$ 35.6	$ 49.2	$ 31.9	$ 30.8	$ 35.6
Shirts, tops, blouses	80.0	77.6	82.1	78.0	82.9
Skirts	27.1	26.3	23.8	32.1	23.7
Pants	62.8	68.7	68.9	50.7	69.2
Shorts/short sets	12.8	8.2	10.3	15.2	16.7
Activewear	23.6	27.1	22.1	22.3	23.9

* Based on all households, including both purchasers and non-purchasers.

Source: U.S. Bureau of Labor Statistics
1988 Consumer Expenditure Survey

CONSUMER PRICE TRENDS

While average retail prices for all apparel items rose 6.8% in August 1990 over August 1989, an increase of 8.5% was noted for women's apparel, with a 10.7% rise in coat and jacket prices. Women's separates and sportswear prices also rose 9.0%. Compared with average changes in the year 1989 over 1988, there has been an acceleration in price increases.

Consumer Price Indexes for Selected Women's Apparel Items
1988, 1989 Annual Averages, August 1989, 1990
(1982-84 = 100)

	Unadjusted Index		Annual Average		
	August 1990	% Change August 1990/89	1989	1988	% Change 1989/88
Apparel (not incl. footwear)	120.5	6.8%	117.1	114.4	2.4
Women's apparel	118.9	8.5	116.6	115.3	1.1
Separates & sportswear	118.1	9.0	118.0	118.8	-0.7
Coats & jackets	115.3	10.7	108.9	104.5	4.2

Source: U.S. Department of Labor:
Bureau of Labor Statistics

RETAIL SALES BY PRODUCT

According to projections on unit sales of women's sportswear in 1990 vs. 1989, by Kurt Salmon & Associates (KSA), based on responses from its Consumer Panel of 11,500 women aged 14 and over, purchases of knit tee/tank/ polo shirts are expected to increase 10%, spurred somewhat by a revival in knitwear. Sweater and jean purchases are also expected to rise 2% and 1%, respectively.

Softer silhouettes in clothing have provided a break with the past, with wide shoulders giving way to more casual styles. Neon colors have also been big, and as skin-tight bike looks extend into stretch dressing, this style should become more popular than fleece clothing, especially among the younger set, according to KSA.

Estimated Year-To-Year Changes in Unit Purchases of
Women's Sportswear Consumption, 1987-1990

	Projected 1990/89	1989/88	1988/87	1987/86
Women's wear, total				
Blouses & shirts	-2%	3%	-6%	-8%
Tee/Tank/Polo (knit)	10	30	5	22
Sweaters	2	1	-12	0
Slacks	0	6	0	-2
Jeans	1	4	-6	-2
Skirts	0	-5	-9	19
Active Sportswear	0	2	2	22

Source: Kurt Salmon Associates: Softgoods Outlook, 1990
(Based on the KSA/NPD purchase panel of 11,500 households.)

(See section on CONSUMER PURCHASE PATTERNS for more detailed information sportswear purchases tracked by Kurt Salmon & Associates.)

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Through a complete census of all U.S. retail businesses, the Bureau of the Census, U.S. Department of Commerce, compiles data on specific store types, and merchandise line sales (in broad classifications) in stores with payroll. The census is taken every five years (for years ending in 2 and 7); and results for 1987 are currently being released by the Bureau. The Fairchild Fact Files (1990) A STATISTICAL ANALYSIS OF RETAILING and MERCHANDISE LINE SALES covers census data on firms in retailing, store types operated and total sales.

Information on sales of women's sportswear is broken out from data for total women's wear sales in a limited number of outlet types, covered in the following table, representing retail sales of sportswear amounting to $32,276 million. Not included are sales through mail order houses, other non-store retailers, and sales in outlets not primarily selling clothing.

Sales of Women's Sportswear in Major Retail Outlet Types: 1987
(Sales in millions of dollars)

	Total Sportswear		Bottoms*		Tops**		Active Sportswear***	
	Sales	%	Sales	%	Sales	%	Sales	%
Reporting outlets	$32,276	100.0	$12,203	100.0	$15,754	100.0	$4,318.9	100.0
Department stores	14,046.3	43.5	5,428.5	44.5	6,453.4	41.0	2,164.4	50.1
Women's clothing stores	12,967.1	40.2	4,889.4	40.1	7,105.9	45.2	971.8	22.5
Family clothing stores	4,705.2	14.6	1,803.8	14.8	2,105.5	13.3	796.9	18.5
Men's clothing stores	174.0	0.5	75.7	0.6	81.1	0.5	17.2	0.4
Children's wear stores	19.5	0.1	6.7	#	7.8	#	5.0	0.1
Sporting goods stores	363.6	1.1	nr	--	nr	--	363.6	8.4

* Includes slacks/pants, jeans, walking shorts, skirts.
** Includes knit and woven shirts, blouses, sweaters.
***Includes apparel for tennis, jogging, golf, swimming, etc.
# Less than 0.1%
nr not reported

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

According to the 1987, there were 10,041 department stores in operation in the U.S in 1987, including conventional stores, national chains and discount/mass merchandisers meeting the department store SIC definition.

Total department store sales of women's sportswear amounted to $14,046.3 million, coventional stores accounted for 54.3% of the total; national chians, 17.4%; discount/mass merchandisers, 28.3%. Information on major types of sportswear reported in the census included bottoms, tops and active sportswear.

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Sales of Women's Sportswear in Department Stores By Type: 1987
(Sales in millions of dollars)

	Conventional Dept. Stores		National Chains		Discount/ Mass Merchandiser	
	Number*	Sales**	Number*	Sales**	Number*	Sales**
Total, store sales	2,425	$46,018	1,818	$35,445	5,798	$62,554
Stores reporting sales of-						
Women's sportswear	2,425	7,627	1,818	2,448	5,798	3,972
Bottoms	2,283	3,146	1,794	1,011	5,713	1,271
Tops	2,164	3,237	1,796	1,196	5,735	2,020
Active sportswear	2,310	1,244	1,808	240	5,656	681

* Each store location is separately counted.

** Sales of leased departments are not included, but are counted as specialty stores. Included are sales from catalog desks operated within the stores that have them. Store type descriptions are as follows:
Conventional: department stores which provide checkout service and customer assistance within each department, sell primarily national brands;
National Chain: department stores which offer the same services as conventional stores, are affiliated with a company which operates similar stores on a national basis and often sell merchandise which are their own brands or are unbranded;
Discount/Mass Merchandisers: department stores which convey the image of high-volume, fast turnover at less than conventional prices, provide centralized check-out service, are usually self-service, and do not have a catalog order service.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

Following is a summary of the sales share held by the different types of operation included in the department store classification. Percents are based on the stores reporting sales of the specified merchandise classifications.

Share of Women's Sportwear Department Store Sales By Type of Operation: 1987
(Sales in billions of dollars)

	All Department Stores				% By Type of Operation*					
					Conventional		Nat'l. Chains		Disc./Mass Merch.	
	Number	%	Sales	%	Number	Sales	Number	Sales	Number	Sales
Total, sales (all mdse. & receipts)	10,041	100%	$144.0	100%	24.2%	$32.9%	18.1%	24.6%	57.7%	43.4%
Women's sportswear	10,041	100	14.0	100	24.2	54.3	18.1	17.4	57.7	28.3
Bottoms	9,790	100	5.4	100	28.3	58.0	18.3	18.6	58.4	23.4
Tops	9,695	100	6.4	100	22.3	50.2	18.5	18.5	59.2	31.3
Active sportswear	9,774	100	2.2	100	23.6	57.5	18.5	11.1	57.9	31.4

* See footnotes above.

Source: Based on U.S. Bureau of the Census
1987 Census of Retail Trade

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Of reported sales of women's sportswear in 1987, women's clothing stores accounted for 50.1%; family clothing stores (selling men's, women's, children's wear) 22.3%.

Women's Sportswear Sales in Women's Clothing Stores
And Family Clothing Stores: 1987
(Sales in millions of dollars)

	Women's Clothing Stores				Family Clothing Stores			
	Stores*	%	Sales	%	Stores*	%	Sales	%
Total stores	52,304	100.0	$25,867.6	100.0	18,443	100.0	$21,117.1	100.0
Women's sportswear	--		12,967.1	50.1	--	--	4,705.2	22.3
Bottoms	41,298	79.0	4,889.4	18.9	14,706	79.7	1,802.8	8.5
Tops	45,244	86.5	7,105.9	27.5	15,332	83.1	2,105.5	10.0
Active sportswear	23,025	44.0	971.8	3.7	10,547	57.2	796.9	3.8

* Each store location is counted. Includes only stores with payroll.

Source: U.S. Bureau of the Census:
1987 Census of Retail Trade (RC87-S-3)

RETAIL SALES BY STORE TYPE: OTHER SOURCES OF SALES INFORMATION

Sales of women's sportswear/casual wear have been greatly affected by problems currently plaguing all retail channels. Many stores are experiencing huge debt service burdens as a result of buyouts and mergers, and are forced to concentrate on cash flow problems rather than marketing, according to Kurt Salmon & Associates. They are maintaining tighter inventories by waiting to book orders closer to customers' needs, as consumer demand is greatly weakened by the Mideast crisis, inflation, and fear of a recession.

Some retailers have also adjusted sales projections downward, cut work hours and pulled ads, according to Women's Wear Daily, as new technology and Quick Response programs are established to improve inventory control and customer relations. Apparel manufacturers have responded by offering stores better discounts and servicing, hosting promotional events, and increasing sales training programs.

The distribution of total sales of women's and children's wear, of which sportswear/casual wear is a major component, has been estimated by the International Ladies Workers Garment Union (ILGWU) as noted in the following table. Retail sales of women's and children's apparel and accessories advanced 6.1% in current dollars in the first 8 months of 1990 compared to a year ago. After adjusting for inflation, however, the real dollar gain was only 1.2%.

Family clothing stores, which include many discounters and off-price outlets, had the greatest increase in sales of women's and children's wear, and rose 12.1% in the first 7 months of 1990 vs. the same period in 1989.

RETAIL SALES BY STORE TYPE: OTHER SOURCES OF SALES INFORMATION

Share of Retail Outlet Sales By Outlet Type: 1980, 1984, 1988, 1989

	1989	1988	1984	1980
Women's & children's wear, total*	100.0%	100.0%	100.0%	100.0%
Department stores	42.6	43.0	44.4	42.3
Women's specialty stores	32.6	32.9	32.7	33.7
Family clothing stores	13.1	12.8	11.5	10.4
Other retail outlets	11.7	11.3	11.4	13.7

* Data includes millinery, furs, hosiery, gloves & other accessores.

Source: ILGWU: Conditions in the Women's Garment Industry (Sept. 25, 1990)

Mass Merchandisers

As department stores continue to upgrade and replace moderate-priced brand names with private label, mass merchandisers have become a more acceptable and profitable outlet for the sale of sportswear, according to Women's Wear Daily. These outlets are offering a better assortment and presentation of more up-to-date fashions to keep up with customer demand for better quality merchandise. In turn, the percent of discount store sales of apparel has increased.

Acquisitions are creating stronger chains among the mass merchandisers, enabling them to buy with clout. Many manufacturers in turn, are providing better servicing, but are offering separate labels specifically for discount store sales, so as not to jeopardize their businesses with department stores and chains.

Competition has been great at the discount store level, especially in the denim area where Lee and Gitano battle it out for the top spot in market share, according to industry executives. As the number of department and specialty stores that offer basic five pocket jeans declines, branded denim has become a staple in the apparel areas of nearly all mass merchandisers.

Sales of tops, bottoms and activewear for women in discount stores in 1989 were estimated at $5,465 million - 57% of their total women's wear business.

Estimated sales of women's apparel purchased in discount stores amounted to $9.7 billion in 1989, with tops accounting for 35% of this total according to Discount Merchandiser.

Estimated Sales of Women's Apparel in Discount Stores: 1989

	Sales (Millions)	% of Total
Total sales of women's wear*	9,656,405	100.0
Tops	3,373,948	34.9
Dresses, skirts, suits	2,115,718	21.9
Bottoms	1,543,094	16.0
Activewear	584,213	6.1
Outerwear	197,956	2.1
Other apparel	1,841,476	19.1

Source: Discount Merchandiser (July 1990)

RETAILER OPERATING RESULTS

Department Stores

Although ILGWU research reports that most (42.6%) of women's and children's wear sales were made in department stores in 1989, credit problems, consolidation, and concern over the financial condition of their customers have been troubling these outlets. Price-cutting and extensive promotions have been used as a means to help remedy the situation.

Many department stores have also dropped their "budget" or "mainfloor" sportswear businesses, leaving moderate as the opening price point to women's apparel, according to Stores magazine. This category offers consumers stylish quality clothes at reasonable prices.

Annual merchandise and operating results of department stores are compiled by the National Retail Federation based on reports from member companies.

Selected Merchandising & Operating Results In All Department Stores, 1988
(Median results)

	Total Female Sportswear	Women's, Misses' Sportswear	Junior Sportswear
Number of firms reporting	47.0	46.0	46.0
Net sales % change from last year	5.5	7.7	1.5
Sales % to total store	21.3	15.8	3.9
$ sales per sq. ft. of selling space	$ 172.5	$ 167.0	$ 117.0
Cumulative markon, %	53.3	53.2	53.3
Gross margin, % of sales incl. cash discounts	40.8	40.8	40.7
Markdowns, retail, % of sales	32.4	33.9	33.8
Number of stock turns	3.4	3.4	3.9
Salespeople's salaries, % of sales	7.0	7.4	7.5
Advertising % of sales	2.0	1.6	2.7

Source: National Retail Federation
(formerly National Retail Merchants Association (NRMA))
Merchandising & Operating Results
(1989 Edition)

Specialty Stores

In 1989, 32.6% of women's and children's wear sales were made in women's specialty stores, according to the ILGWU.

Although many specialty stores are also experiencing the problems faced by department stores, more Seventh Avenue designers will continue their push into retailing, by adding more divisions or opening their own stores, according to Women's Wear Daily.

The National Retail Federation reports the typical (median) contribution of sportswear to total specialty store business in 1988 as noted below, along with operating results based on reports from NRF members.

Selected Typical Merchandising & Operating Results In Specialty Stores, 1988
Median Results

	All Adult Female Apparel	All Adult Female Sportswear	Women's & Misses' Sportswear
Number of firms reporting	20.0	18.0	15.0
Net sales % change from last year	1.8	3.2	0.2
Sales % to total store	47.9	27.4	19.0
$ sales per sq. ft. of selling space	$186.5	$178.0	$189.0
Cumulative markon, %	52.6	54.0	54.0
Gross margin, % of sales incl. cash discounts	43.0	42.0	40.2
Markdowns, retail, % of sales	25.0	27.1	31.3
Advertising, % of sales	2.5	2.4	2.0
Salespeople's salaries, % of sales	8.1	8.2	7.7
Number of stock turns	3.5	3.8	3.6

Source: National Retail Federation
(formerly National Retail Merchants Association (NRMA))
"Merchandising & Operating Results" (1989 Edition)

RETAIL ADVERTISING

Examining the amount of advertising done each month by retailers gives an idea of the seasonal distribution of sales. In 1988, women's sportswear advertising was spread out in every quarter, although retailers devoted most of their advertising of athletic apparel to the 4th quarter.

Percent of Year's Total Newspaper Advertising Linage Run By Retailers Each Month: 1988

	1988	
	Women's Sportswear	Athletic Apparel
Total Year	100.0%	100.0%
January	2.6	7.2
February	6.5	4.4
March	11.3	2.0
April	9.4	3.6
May	10.7	1.7
June	6.2	1.8
July	5.3	0.5
August	10.4	7.1
September	10.1	11.1
October	7.2	10.9
November	9.6	37.8
December	10.7	11.9

Source: Newspaper Advertising Bureau, Inc.
1990 Newspaper Advertising Planbook;
The Advertising Checking Bureau Inc.

CONSUMER PURCHASE PATTERNS

KSA/NPD Purchase Panel

The following information on purchases for women aged 14 years and older for the years 1989 and 1988 has been supplied by Kurt Salmon Associates and the NPD Group. The KSA/NPD Purchase Panel consists of surveys among 11,500 households to obtain monthly data on purchases of apparel.

Overall, women's sportswear purchases increased in 1989 compared to 1988, as units rose 7.4%, and dollars jumped 9.6%. The surge in the popularity of shorts was reflected in the reported 31% increase in units and the 39.7% rise in dollars, possibly cutting into skirt purchases, where units dropped 4.7% despite a 2.5% rise in dollars.

Estimated Purchases of Women's Sportswear Items

	Units (Mil.)		% Change	Dollars (Mil.)		% Change
	1989	1988	1989/88	1989	1988	1989/88
Total	$1,806.7	$1,682.0	7.4%	$27,438.0	$25,030.0	9.6%
Blouses	515.9	502.6	2.6	7,418.0	6,907.6	7.4
Tank/tee/polo shirts	332.7	256.4	29.8	3,203.9	2,384.5	34.4
Skirts	223.7	234.8	-4.7	4,482.4	4,373.1	2.5
Shorts	142.0	108.4	31.0	1,443.3	1,032.8	39.7
Pants	236.5	222.1	6.5	3,865.6	3,561.1	8.6
Sweaters	258.3	254.9	1.3	4,967.7	4,812.9	3.2
Jeans	106.6	102.8	3.7	2,057.2	1,958.3	5.1

Department, specialty and discount stores continued to be the leading outlets for women's sportswear purchases in 1989. Discount stores, however, have been losing share since 1986, while units bought in "other outlets" (including warehouses & factory outlets), have generally been on the rise.

Purchases of Women's Sportswear By Outlet Type
Percent of units, 1989

	Blouses	Tee/Tank Polo Shirts	Skirts	Shorts	Pants	Sweaters	Jeans
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Dept. stores	20.2	16.4	26.3	18.5	23.2	20.4	14.1
Specialty stores	23.1	21.6	25.1	20.3	22.7	26.3	20.3
Chains*	12.9	10.9	11.8	12.4	14.6	14.6	15.8
Discount stores**	27.1	30.1	17.9	34.6	24.9	21.6	36.1
Off-price	5.8	5.2	6.5	4.6	5.3	6.7	5.4
Mail order	3.9	3.0	4.0	2.3	4.1	3.3	1.6
Sporting goods stores	0.2	0.7	0.2	1.0	0.2	0.3	0.2
All other outlets	6.7	12.2	8.2	6.3	5.0	6.9	6.6

(continued)

KSA/NPD Purchase Panel (continued)

Estimated Purchases of Women's Sportswear By Outlet
Percent of Dollars, 1989

	Blouses	Tee/Tank Polo Shirts	Skirts	Shorts	Pants	Sweaters	Jeans
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Dept. stores	26.0	21.0	32.8	24.4	28.5	24.3	17.8
Specialty stores	27.7	26.0	28.4	25.3	27.2	29.3	23.4
Chains*	12.3	10.6	10.0	11.5	12.9	13.3	15.4
Discount stores**	16.8	19.9	9.9	22.8	16.1	14.5	29.5
Off-price	6.2	5.6	6.2	5.5	6.1	6.4	5.8
Mail order	4.5	4.4	4.6	3.3	4.1	4.7	1.9
Sporting goods stores	0.2	0.8	0.2	1.2	0.2	0.3	0.2
All other outlets	6.4	11.5	7.9	6.0	5.0	7.3	6.1

Totals may not add to 100 due to rounding
* Includes Penneys, Sears, Ward
** Includes K-mart, Wal Mart, Target & others

Overall, a greater percentage of women's sportswear purchases were made in the higher price ranges in 1989 compared with 1988. Purchases of items costing $35 or more rose in all listed categories except jeans, according to KSA/NPD.

Purchases of Women's Sportswear By Price Point
Percent of units, 1988, 1989

	Year	Total	Less than $5	$5.00-$9.99	$10-$14.99	$15-$24.99	$25-$34.99	$35 and Over
Blouses	1989	100%	8.9	32.3	25.1	22.6	6.7	4.4
	1988	100%	10.1	33.3	25.1	21.5	6.6	3.4
Tee/tank polo shirts	1989	100%	22.3	42.4	20.8	11.8	1.8	0.9
	1988	100%	25.3	41.3	20.0	10.5	2.1	0.7
Skirts	1989	100%	5.8	20.3	20.3	28.3	13.2	12.2
	1988	100%	6.9	22.8	22.1	26.5	11.9	9.8
Shorts	1989	100%	19.1	42.9	21.6	12.8	2.8	0.8
	1988	100%	17.8	47.5	21.9	10.4	2.2	0.4
Jeans	1989	100%	2.0	10.7	21.6	45.7	14.9	5.1
	1988	100%	2.8	12.6	21.6	42.0	14.7	6.2

(continued)

KSA/NPD Purchase Panel (continued)

Purchases of Women's Sportswear By Price Point
Percent of units, 1988, 1989
(continued)

	Year	Total	Less than $10	$10-$19.99	$20-$29.99	$30-$49.99	$50-$69.99	$70 and Over
Pants	1989	100%	31.3	45.0	15.7	6.4	1.0	0.6
	1988	100%	32.1	44.9	15.2	6.6	0.9	0.4
Sweaters	1989	100%	22.6	45.1	19.2	9.9	2.1	1.0
	1988	100%	25.0	43.6	18.5	10.0	2.0	0.9

Totals may not add to 100 due to rounding.

Source: KSA/NPD Purchase Panel

Although polyester was still the dominant fiber in many sportswear items in 1989, demand for more natural fibers, such as cotton, rose compared to 1988. Purchases of pants, jeans, shorts and shirts made of cotton increased, while those made of polyester fell slightly.

Purchases of Women's Skirts & Shorts
By Fiber Content

	Skirts		Shorts	
	1989	1988	1989	1988
Total	100.0%	100.0%	100.0%	100.0%
Polyester dominant	43.8	42.3	31.7	37.1
100% Polyester	11.7	9.7	1.3	2.1
Polyester/Cotton	18.9	18.6	28.8	32.2
Other Polyester	13.3	14.0	1.7	2.9
Cotton dominant	30.0	32.8	57.2	52.6
100% Cotton	25.8	29.0	52.7	48.5
Cotton/Poly blends	3.6	3.0	3.9	3.8
Other Cotton Blends	0.6	0.8	0.6	0.4
Wool dominant	4.0	4.1	0.0	0.0
Rayon dominant	14.8	12.9	1.3	0.8
All other fibers	7.4	7.8	9.8	9.5

(continued)

CONSUMER PURCHASE PATTERNS

KSA/NPD Purchase Panel (continued)

Purchases of Women's Blouses & Shirts
By Fiber Content

	Blouses		Shirts	
	1989	1988	1989	1988
Total	100.0%	100.0%	100.0%	100.0%
Polyester dominant	55.2	55.1	50.2	52.9
100% Polyester	22.6	23.2	1.0	1.3
Polyester/Cotton	28.1	27.7	47.3	49.7
Other Polyester	4.5	4.2	1.8	2.0
Cotton dominant	33.3	34.9	47.7	44.5
100% Cotton	25.6	27.6	41.4	36.7
Cotton/Poly blends	6.7	6.8	5.4	6.4
Other Cotton Blends	0.9	0.5	0.9	1.4
Rayon dominant	6.4	5.1	0.7	0.7
All other fibers	5.1	4.9	1.5	1.8

Purchases of Women's Sweaters
By Fiber Content

	Sweaters	
	1989	1988
Total	100.0%	100.0%
Polyester dominant	5.8	4.8
Cotton dominant	18.6	20.9
100% Cotton	16.1	17.8
Other Cotton	2.5	3.2
Wool dominant	5.6	5.9
Acrylic dominant	43.7	45.7
Ramie dominant	22.9	17.1
All other fibers	3.4	5.6

Purchases of Women's Pants & Jeans
By Fiber Content

	Pants		Jeans	
	1989	1988	1989	1988
Total	100.0%	100.0%	100.0%	100.0%
Polyester dominant	55.4	57.9	3.3	5.1
100% Polyester	18.7	23.4	0.6	1.0
Polyester/Cotton	26.4	23.7	2.3	2.9
Other Polyester	10.4	10.9	0.3	1.3
Cotton dominant	34.7	33.4	96.4	94.2
100% Cotton	26.1	25.3	84.6	79.2
Cotton/Poly blends	8.3	7.6	6.9	8.5
Other Cotton Blends	0.4	0.5	4.9	6.6
Wool dominant	1.6	1.9	0.0	0.0
All other fibers	8.3	6.7	0.4	0.8

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

The following is a summary of the percentage of women that reported buying at least one of the items in each listed category during a 12-month period, based on 19,373 diaries tabulated by Simmons Market Research Bureau. If individuals purchased more than a single unit at any one time, or purchased these items over and over again, it is not reflected in these figures.

During 1988-1989, 39.6% of all adult U.S. women purchased at least one blouse/shirt.

Percent of Women Purchasing Specified Items In a 12 Month Period

Item	Percent
Blouse/shirt	39.6
Slacks	37.7
Sweater	37.1
Skirt	32.5
T-shirt	21.8
Swimsuit	18.7
Warm-up suit	17.7
Dressy/designer jeans	13.9
Other jeans	26.1

Source: Newspaper Advertising Bureau, Inc.:
Newspaper Advertising Planbook (1990),
Simmons Market Research Bureau

SCHEDULE OF ADDITIONAL FACT FILES

Statistical Analysis of Retailing (A Fact File Special Edition): A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the maturing population are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Department Store Sales: Outlines ownership change/reorganizations in the past year affecting major department and specialty stores. Buying headquarter locations of stores are listed with information on sales and number of outlets included in this total. Notes are included on plans to open and/or close stores. Sales and outlet information is separately listed for corporate headquarter and for national chains.

Dresses, Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, value of shipments, industry location and trends in employment levels. The governing impact of imports on total U.S. market supply is analyzed. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales and operating results in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, & Boys' and Girls'): A statistical summary of the U.S. footwear industry and the footwear markets. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising resutls for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics on sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Market Research Division
Fairchild Fashion & Merchandising Group
New York

Women's Inner Fashions:
Nightwear, Daywear & Loungewear

FAIRCHILD FACT FILE

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EXECUTIVE SUMMARY

From 1990 to 1991, sales of women's bras are forecasted to improve 6%, sales of women's daywear are projected to fall 2%, and sales of women's sleepwear will remain flat, according to KSA/NPD.

U.S. consumers spent about 6.5 billion on women's innerwear and nightwear in 1990, a 5.7% increase over 1989 figures, according to KSA/NPD.

The panties category showed the largest increase of all women's daywear/nightwear classifications between 1989 and 1990, improving 6.2% in units and 10.2% in dollars.

Size of the Market - Retail: 1990

	Units (Mil.)		Dollars (Mil.)	
	1990	% Change 1990/1989	1990	% Change 1990/1989
Total Innerwear/ Foundations	885.7	3.9%	$3,873.0	7.5%
Daywear*	73.6	- 9.5	670.2	- 0.2
Panties	576.4	6.2	1,189.1	10.2
Girdles**	27.0	7.1	256.4	7.6
Bras	208.7	2.8	1,757.3	9.0
Total Nightwear/ Robes/Loungewear	188.0	0.3	2,579.3	3.1
Nightwear***	146.2	1.4	1,764.8	2.8
Robes/Loungewear	41.8	- 3.2	814.5	3.5

* Including slips, undershirts, camisoles & teddies
** Including girdles and all other support garments
*** Including pajamas, nightgowns, and negligees

U.S. producer prices for women's underwear rose 1.8%, prices for women's nightwear rose 1.3%, and prices for girdles, corsets, and accessories rose 2.6% when comparing December 1989 to December 1990, according to the U.S. Department of Labor.

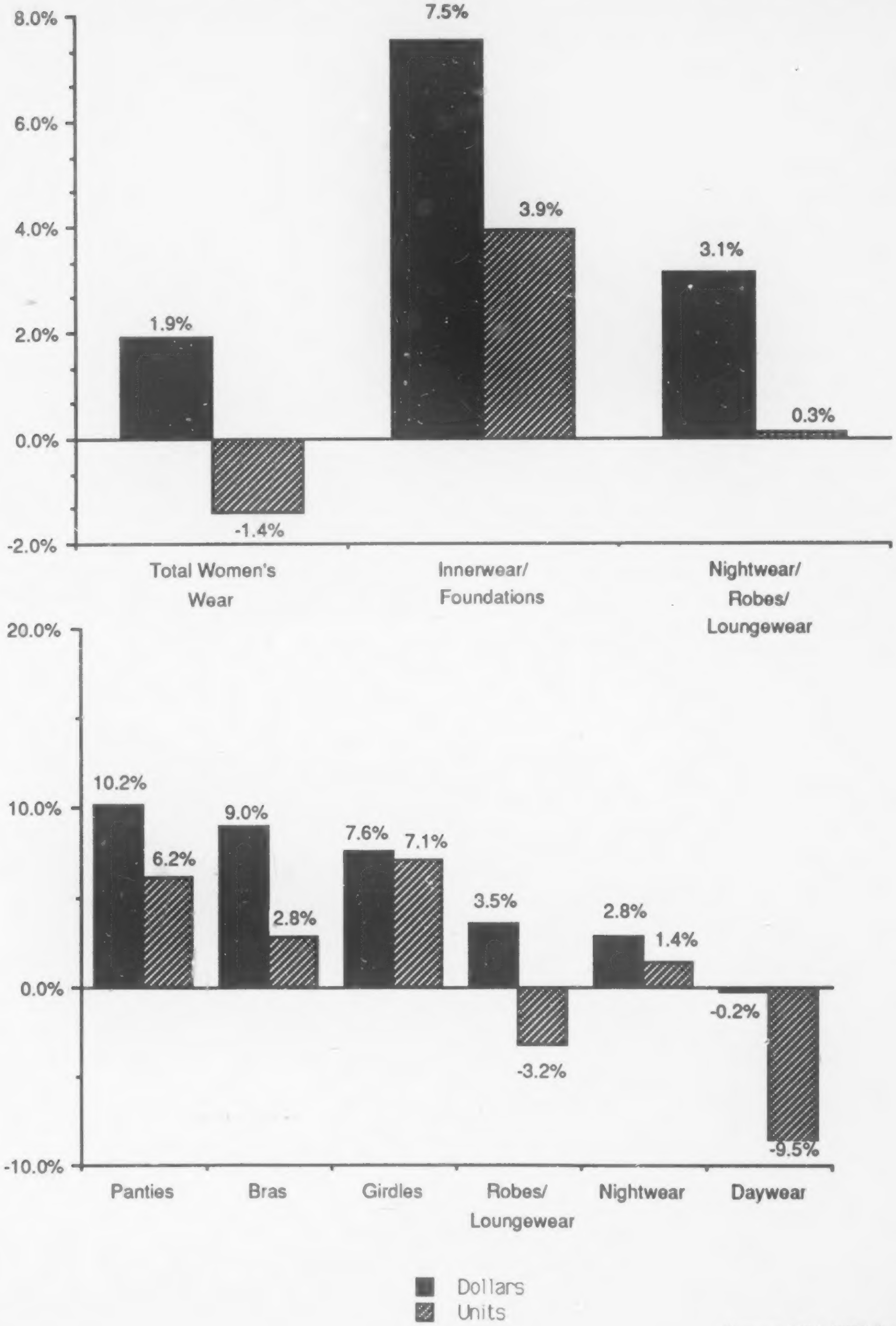
The value of shipments is expected to decline a slight 0.4% from 1989 to 1990 (current $), total employment is expected to fall 7.8%, and production worker levels are expected to decline 8.1% in the women's and children's undergarment industry, according to Census Bureau estimates.

Asian and Carribean countries are the major source of U.S. imports of women's daywear and nightwear, according to the Census Bureau.

Consumer prices for women's underwear rose 4.3% from December 1989 to December 1990. Prices for all women's apparel rose 6.6% during the same period, according to the U.S. Department of Labor.

In 1990, discount stores were chosen as the primary retail outlet for purchases of women's innerwear/nightwear, according to KSA/NPD.

Purchases of Women's Innerwear And Nightwear
% Change in Dollars and Units: 1989 vs. 1990



Source: KSA/NPD Purchase Panel

WOMEN'S INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR

Market Trends

Competition among intimate apparel vendors will continue to intensify throughout the 1990s, as they are faced with a rough economy, declining consumer demand, and a loss of business from major stores who are going through consolidations and bankruptcies. These pressures, along with rising overhead costs, have forced many of the smaller, family-owned companies to sell out to larger corporations, resulting in a depletion in the overall ranks of innerwear vendors.

Innerwear companies, determined to survive and succeed in these difficult times, have explored a variety of opportunities--some have chosen to improve efficiency through advanced technology, while others have broadened their markets through international distribution. Maidenform and Jockey have been extremely successful in their overseas efforts, and future plans may include the opening of company-owned retail outlets throughout Europe. Vanity Fair has chosen to focus their efforts on technology improvements, such as the adaptation of Quick Response, a scanning system that quickly gathers information about retail inventories, and allows the vendor to replenish stock based on store needs. Benefits for retailers include increased turns and reduced markdowns, while manufacturers reap the benefits of improved planning.

In other efforts to improve business, the Intimate Apparel Council is attempting to heighten consumer awareness of intimate apparel and incite purchasing by organizing Lingerie Week, a consumer-driven promotion at stores. The broad involvement of retailers and vendors in this special program is expected to improve business partnerships as well as boost sales 15-35% during the promotion.

Apart from Lingerie Week, many industry sources agree that Victoria's Secret, one of the largest intimate apparel retailers, should get credit for boosting the image and consumer appetite for innerwear. The success of Victoria's Secret stores has served as an example to department stores that women are interested in buying fashionable intimate apparel, and will purchase more in a pleasing, specialty store environment. Many department stores have tried to mimic Victoria's Secret by creating in-store specialty shops with a romantic, seductive look.

While traditional merchandise still makes up the bulk of innerwear sales at many department stores, the fashion merchandise, with ready-to-wear influences, is driving the business. The newness of fashion looks are not only attracting women to innerwear departments, but are giving them reasons to buy. Daywear and foundations were top gaining categories in 1990, due to the infusion of fashion and change, but the sleepwear/loungewear categories generally had modest gains due to a lack of updated styles. Daywear and foundation looks that have been drawing attention include coordinated bra and panty sets in vibrant prints and colors, upscale designer styles with ready-to-wear influences, and bodyshaping undergarments made of stretch fabrications, such as cotton/Lycra or spandex blends.

Market Trends (continued)

There is a growing trend for women to wear innerwear items as outerwear, and to mix innerwear with sportswear. Camisoles and bustiers are being worn under suit jackets and blouses, and jeans are mixed with bodysuits, bustiers or sportsbras. Some department stores are displaying these items together in ready-to-wear or innerwear departments.

Department stores are starting to experiment with various promotional strategies to educate consumers on how to mix and match intimate apparel and sportswear, to encourage more frequent purchases, and to create a fashion mentality. Strategies include the extensive use of mannequins, in-store promotions and direct mail.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

Industry Profile

The U.S. Bureau of the Census compiles detailed industry information every five years in the Census of Manufactures, the latest of which covers the year 1987. In intercensal periods, the Bureau conducts annual surveys among samples of manufacturers to provide estimates on key measurements of manufacturing activity.

In addition, the International Trade Administration (ITA) (U.S. Department of Commerce), issues an annual U.S. Industrial Outlook report, which gives recent performance and industry trends based on Census Bureau compilations.

1990 estimates show an overall decline in the value of shipments, total employment, and numbers of production workers in the women's and children's undergarment industry. The value of shipments (in current $) is expected to decline a slight 0.4% in 1990, after increases of 1% in 1989 and 3.9% in 1988. Total employment is projected to fall 7.8% in 1990, after a decline of 5.7% in 1989 and 1% in 1988.

According to the ITA, employment declines in apparel reflect increasing competition from imports, and the efforts by domestic manufacturers to improve efficiency by streamlining and consolidating operations.

Estimated industry shipments of women's and children's undergarments presented in the following table were given in current dollars and constant (1987) dollars. (Industry shipments include all products, both primary and secondary industry classification, plus miscellaneous receipts and contract work).

GENERAL INDUSTRY STATISTICS

Recent Performance:
Women's and Children's Undergarments (SIC 234)
(In millions, except as noted)

	1990(e)	1989(e)	1988	% Change 1990/89	% Change 1989/88
Value of shipments, (current$)	$3,904	$3,921	$3,884	-0.4%	1.0%
Women's/children's underwear	2,669	2,716	2,621	-1.7	3.6
Bras & allied garments	1,235	1,205	1,263	2.5	-4.6
Value of shipments (constant 1987$)	3,586	$3,725	$3,786	-3.7	-1.6
Women's/children's underwear	2,452	2,580	2,555	-5.0	1.0
Bras & allied garments	1,134	1,145	1,231	-1.0	-7.0
Total employment (thous.)	58.1	63.0	66.8	-7.8	-5.7
Women's/children's underwear	46.4	50.4	53.9	-7.9	-6.5
Bras & allied garments	11.7	12.6	12.9	-7.1	-2.3
Production workers (thous.)	48.5	52.8	56.0	-8.1	-5.7
Women/children's underwear	40.3	43.7	46.7	-7.8	-6.4
Bras & allied garments	8.2	9.1	9.3	-9.9	-2.2

(e) estimated

Source: U.S. Department of Commerce:
U.S. Industrial Outlook 1991

The industry information reported below, from the 1987 and 1982 Censuses of Manufactures, and the 1988 Annual Survey of Manufactures includes information on foundations, robes and dressing gowns, knit underwear mills, and women's and children's underwear. Dollar figures are in current dollars, not adjusted for inflation.

Women's & Children's & Infants' Underwear & Nightwear
(SIC 2341*)

	1988	1987	1982	% Change 1988/87	% Change 1987/82
Number of companies	na	325	477	--	-31.9%
Number of establishments, total**	409	434	604	- 5.8	-28.1
Number with 20 or more employees	307	334	422	- 8.1	-20.9
Employees, total (thous.)	53.9	53.7	67.8	0.4	-20.8
Production workers (thous.)	46.7	46.5	57.4	0.4	-19.0
Payroll (mil. $)	664.9	$ 644.9	$ 640.8	3.1	0.6
Value added by manufacture# (mil. $)	$1,426.4	$1,429.6	$1,350.8	- 0.2	5.8
Value of industry shipments## (mil. $)	$2,621.4	$2,658.3	$2,602.4	- 1.4	2.1
Capital expenditures, new (mil. $)	$ 36.0	$ 44.9	$ 30.4	-19.8	47.7

(continued)

GENERAL INDUSTRY STATISTICS

Brassieres, Girdles & Allied Products (SIC 2342*)

				% Change	
	1988	1987	1982	1988/87	1987/82
Number of companies	na	109	134	--	-18.7%
Number of establishments, total**	125	128	151	- 2.3	-15.2
Number with 20 or more employees	88	88	97	--	- 9.3
Employees, total (thous.)	12.9	13.8	13.8	- 6.5	0.0
Production workers (thous.)	9.3	9.7	11.3	- 4.1	-14.2
Payroll (mil. $)	$ 192.2	$ 198.8	$ 142.3	- 3.3	39.7
Value added by manufacture# (mil. $)	$ 663.4	$ 576.3	$ 370.8	15.1	55.4
Value of industry shipments## (mil. $)	$1,262.7	$1,079.9	$ 720.3	16.9	49.9
Capital expenditures, new (mil. $)	$ 13.2	$ 6.7	$ 7.5	97.0	-10.7

Knit Underwear Mills (SIC 2254*)

				% Change	
	1988	1987	1982	1988/87	1987/82
Number of companies	na	58	72	--	- 19.4%
Number of establishments, total**	66	63	84	4.8	- 25.0
Number with 20 or more employees	46	44	61	4.5	- 27.9
Employees, total (thous.)	18.3	19.3	22.3	- 5.2	- 13.5
Production workers (thous.)	16.8	17.4	20.0	- 3.4	- 13.0
Payroll (mil. $)	$ 276.1	$ 275.7	$ 232.3	0.1	18.7
Value added by manufacture# (mil. $)	$ 502.9	$ 516.5	$ 446.2	- 2.6	15.8
Value of industry shipments## (mil. $)	$1,064.1	$1,058.1	$ 829.9	0.6	27.5
Capital expenditures, new (mil. $)	$ 41.6	$ 27.7	$ 9.3	50.2	197.8

Robes & Dressing Gowns (SIC 2384*)

				% Change	
	1988	1987	1982	1988/87	1987/82
Number of companies	na	85	129	--	-34.1%
Number of establishments, total**	97	96	135	1.0	-28.9
Number with 20 or more employees	78	74	83	5.4	-10.8
Employees, total (thous.)	8.7	8.7	9.3	0.0	- 6.5
Production workers (thous.)	7.0	7.3	8.1	- 4.1	- 9.9
Payroll (mil. $)	$ 110.5	$ 101.4	$ 88.0	9.0	15.2
Value added by manufacture# (mil. $)	$ 240.5	$ 228.0	$ 193.1	5.5	18.1
Value of industry shipments## (mil. $)	$ 552.6	$ 502.6	$ 403.6	9.9	24.5
Capital expenditures, new (mil. $)	$ 5.0	$ 3.3	$ 3.9	51.5	-15.4

na not available

* Manufacturing establishments (plants) are classified by industry under the 1987 Standard Industrial Classification System (SIC) determined by the principal product made as shown below:

(footnotes continued)

GENERAL INDUSTRY STATISTICS

SIC 2341 - This industry comprises establishments primarily engaged in manufacturing women's, misses', children's and infants' underwear and nightwear cut and sewed from purchased woven or knit fabric.
SIC 2342 - This industry comprises establishments primarily engaged in manufacturing brassieres, girdles, corsets, corset accessories, and allied garments (excluding surgical garments).
SIC 2254 - This industry comprises establishments primarily engaged in knitting underwear and nightwear from yarn or in manufacturing underwear and nightwear from knit fabric produced in the same mills. Industry figures include underwear and nightwear for both men and women as well as for children and infants.
SIC 2384 - This industry comprises establishments primarily engaged in manufacturing men's, boys', and women's robes and dressing gowns from purchased woven or knit fabric.

** Covers manufacturing establishments only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.). Data on number of establishments in 1988 are from the Census Bureau's County Business Patterns.

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished products inventories. It avoids the duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes the best value measure of individual industries.

Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes. This value includes both products described as primary to the industry and secondary products and miscellaneous receipts (including receipts for contract work and resales.) For value of product shipments, only, including shipments by all producers, see PRODUCT SHIPMENTS section.

Source: U.S. Bureau of the Census:
1987 Census of Manufactures and
1988 Annual Survey of Manufactures

Employment & Earnings

U.S. apparel manufacturers are feeling the impact of rising costs, a reduction in consumer demand, and increased foreign competition.

Employment cutbacks in the U.S. apparel industry have become prevalent, as manufacturers have been forced to respond to these worsening conditions. According to the ILGWU, unemployment in the apparel industry rose significantly in 1990 to reach 9.3% of the industry's labor force, up from 8.4% in 1989 and 8.2% in 1988. The ILGWU indicated that the 1990 rate is more than one and a half times that of the general unemployment rate in the nation.

GENERAL INDUSTRY STATISTICS

Employment & Earnings (continued)

While all of the specified women's/childrens' innerwear industries have experienced employment cuts in 1990, production workers in the women's brassiere and allied garment industry have been especially hard hit. From December 1989 to 1990, employment in this industry has been cut a sharp 9.7%, according to the Bureau of Labor Statistics. Production continues to move offshore leaving only a limited number of production jobs in the U.S.

Weekly earnings rose 9.4% for production workers in the women's and children's underwear industry and 8.0% in the women's brassiere and allied garment industry between December 1989 and December 1990. However, production workers' earnings in knit underwear mills declined 4.3% during the same period.

Many manufacturers, in order to cut costs, are taking advantage of the tariff provision 9802 (formerly 807) which allows them to cut fabric, and ship these parts for assembly to a foreign country where labor costs are lower, then import the finished garment back to the U.S. As a result, some U.S. apparel firms have wholly-owned or jointly owned overseas plants.

Employment & Earnings
In Specified Innerwear Industries: 1989, 1990

	December Averages			Annual Averages		
	1990(p)	1989	% Change 1990/89	1989	1988	% Change 1989/88
Knit Underwear Mills: (SIC 2254)						
All employees (thous.)	26.6	28.6	-7.0	25.8	24.8	4.0%
Production workers (thous.)	22.7	24.2	-6.2	21.8	20.5	6.3
Average weekly earnings	$260.59	$272.42	-4.3	$244.99	$232.07	5.6
Average hourly earnings	$ 7.32	$ 7.15	2.4	$ 5.70	$ 5.55	2.7
Average weekly hours	35.6	38.1	-6.6	36.2	37.2	-2.7
Women's & children's underwear: (SIC 2341)						
All employees (thous.)	48.3	50.3	-4.0	53.0	57.5	-7.8%
Production workers (thous.)	40.9	43.5	-6.0	45.6	49.4	-7.7
Average weekly earnings	$231.7	$211.91	9.4	$219.44	$210.14	4.4
Average hourly earnings	$ 6.02	$ 5.79	4.0	$ 5.79	$ 5.53	4.7
Average weekly hours	38.5	36.6	5.2	37.9	38.0	-0.3
Women's brassieres & allied garments: (SIC 2342)						
All employees (thous.)	12.3	13.6	-9.6	13.5	13.8	-2.2%
Production workers (thous.)	8.4	9.3	-9.7	9.4	9.6	-2.1
Average weekly earnings	$251.66	$233.23	8.0	$237.57	$234.19	1.4
Average hourly earnings	$ 7.01	$ 6.78	3.4	$ 6.73	$ 6.56	2.6
Average weekly hours	35.9	34.4	4.4	35.3	35.7	-1.1

(p) preliminary

Source: U.S. Bureau of Labor Statistics: Employment & Earnings

GENERAL INDUSTRY STATISTICS

Plant Capacity Utilization

Fourth quarter capacity utilization rates in knit underwear mills in the U.S. dropped from 96% of the preferred level in 1987 to 89% in 1988. In the same span, capacity utilization in the women's and children's underwear industry rose from 91% to 94%. Figures for the fourth quarter of 1988 were unavailable for the brassiere and allied garment industry--but in 1987, the capacity utilization rate in this industry rose to 89% of the preferred level, up from 74% in 1986. (The preferred level is defined as a level, normally between actual operations and practical capacity, at which profits are maximized). The following figures represent the ratio of actual utilization to the preferred level of operations.

Capacity Utilization Rates: Fourth Quarters 1985-1988

	1988	1987	1986	1985
Knit underwear mills	89	96	83	79
Women's, & children's underwear	94	91	92	93
Brassieres & allied garments	nr	89	74	nr

nr not reported, as data did not meet publication standards

Source: U.S. Bureau of the Census:
Current Industrial Reports,
Survey of Plant Capacity, 1989 MQ-C1(89)1

Concentration in the Industry

According to data provided by the 1987 Census of Manufactures, employment sizes at plants tended to fall either at the low end (average employees 1-19) or at the high end (100+ employees) in all of the specified women's/children's apparel industries except robes and dressing gowns. In that industry, the majority of plants employed between 20-49 employees.

Industry Statistics By Employment Size of Plant for
Women's Daywear, Nightwear, & Foundations: 1987
(employees in thousands)

	Plants		Employees		Value Added by Mfr.		Value of Shipments	
	No.	%	No.	%	Mil. $	%	Mil. $	%
Women's & Children's underwear/nightwear, total	434	100.0%	53.7	100.0%	1,429.6	100.0%	2,658.3	100.0%
Plants with average employment of:								
1 -19 employees	100	23.0	0.8	1.5	46.1	3.2	99.5	3.7
20-49 employees	79	18.2	2.6	4.8	113.7	8.0	228.5	8.6
50-99 employees	87	20.1	6.5	12.1	159.5	11.2	303.3	11.4
100 or more employees	168	38.7	43.9	81.6	1,110.4	77.6	2,027.1	76.3

(continued)

Concentration in the Industry (continued)

Industry Statistics By Employment Size of Plant for Women's Daywear, Nightwear, & Foundations; 1987
(employees in thousands)
(continued)

	Plants		Employees		Value Added by Mfr.		Value of Shipments	
	No.	%	No.	%	Mil. $	%	Mil. $	%
Brassieres, Girdles, and allied garments,total	128	100.0%	13.8	100.0%	576.3	100.0%	1,079.9	100.0%
Plants with average employment of:								
1 -19 employees	40	31.3	0.3	2.2	14.2	2.5	28.7	2.7
20-49 employees	26	20.3	0.8	5.8	20.8	3.6	42.8	4.0
50-99 employees	18	14.1	1.3	9.4	38.0	6.6	79.9	7.4
100 or more employees	44	34.3	11.4	82.6	503.3	87.3	928.5	85.9
Knit underwear mills, total	63	100.0%	19.3	100.0%	516.5	100.0%	1,058.1	100.0%
Plants with average employment of:								
1 -19 employees	19	30.2	0.1	0.5	3.6	0.7	8.3	0.8
20-49 employees	13	20.6	0.5	2.6	7.8	1.5	14.2	1.3
50-99 employees	6	9.5	0.4	2.1	9.6	1.9	13.8	1.3
100 or more employees	25	39.7	18.3	94.8	495.5	95.9	1,021.9	96.6
Robes & dressing gowns	96	100.0%	8.7	100.0%	228.0	100.0%	502.6	100.0%
Plants with average employment of:								
1 -19 employees	22	22.9	0.3	3.4	11.0	4.8	35.8	7.1
20-49 employees	31	32.3	1.1	12.6	29.3	12.9	91.9	18.3
50-99 employees	18	18.8	1.4	16.1	45.5	20.0	93.0	18.5
100 or more employees	25	26.0	6.0	69.0	142.1	62.3	281.9	56.1

U.S. Bureau of the Census:
1987 Census of Manufactures

Mergers and Consolidations

The intimate apparel industry, once characterized by many small family-owned businesses, has rapidly consolidated in the past 10 years. Smaller independent companies have been forced out, have sold out to large corporations, or have consolidated with other independent firms. Contributing factors include rising overhead costs, the recent shakeup of big stores, and the growing emphasis on private label merchandise.

WWD reports that in 1990, several well established family-owned companies sold out to large corporations. These firms include Blanche Lingerie, a 50 year-old manufacturer of sleepwear, to Warnaco, Inc.; Evelyn Pearson, a 40 year-old manufacturer of sleepwear and robes, to Leslie Fay Co.; Henson Kickernick, a 66 year-old firm specializing in stretch panties, to Sara Lee Corp.

GENERAL INDUSTRY STATISTICS

Industry Legislation

One controversial issue surrounding the industry is adult sleepwear flammability. In 1990, apparel and consumer trade groups pressed the Consumer Products Safety Commission (CPSC) to adopt new regulations in order to protect the elderly from nightwear fires. The apparel industry, represented by the American Textile Manufactures Association, requested that warning labels be sewn into nightwear intended to be worn by adults of any age.

Although the CPSC decided to toughen up on children's sleepwear regulations last year, they decided not to take action regarding adults.

LEADING MANUFACTURERS

Playtex. Inc. reported 70% sales growth in 1990, two-thirds of which was driven by international business, particularly European exposure. Five to seven percent increases in overall volume are projected for 1991, including Playtex, Body Views, and the licensed Jean Cacharel foundations. Jean Cacharel, whose worldwide lingerie business is handled through Playtex, projects 1991 volume in the United States at between $15-$20 million. Cacharel reported that sales of bras and panties in Europe increased from five million to $35 million in two years.

Maidenform, the 58 year-old privately held innerwear firm, generated $200 million in 1989. Strong focus is being placed on international activity, which has consistently grown 30% per year. European expansion, particularly in Eastern Europe, may include the opening of Maidenform retail outlets.

The aggressive adaptation of the Quick Response System has led Vanity Fair to a successful 1990. Electronically gathered information, through Quick Response, has allowed Vanity Fair to react more quickly to retailers, and replenish inventory based on store needs. The firm's volume reached $260 million in 1989, and in 1990 sales hit $300 million. The recent acquisition of Eileen West Sleeplines was an attempt to broaden the firm's consumer base and find a position above mainstream brands, where Vanity Fair is now. The firm also recently acquired Vassarette and Form-O-Uthe, a former division of Munsingwear.

The intimate apparel division at Warnaco currently accounts for about $280 million in annual sales. Warnaco is concentrating on designer brands and its basic bra business under the Warner's and Olga labels. The designer intimates division, which includes licensed Valentino Intimo, Arnold Scaasi, Bob Mackie, Blanche sleepwear lines and Ungaro foundations, will generate an estimated $30 million in sales in 1991. A line of Ungaro sleepwear also will be introduced in March 1991. Warnaco is expanding its distribution by selling its Warner's label to Penney's. An upscale label called Warner's Originals will be distributed to better department stores such as Macy's and Bloomingdale's.

Ready-to-wear inspired styles in sleepwear were important for Carole Hochman Designs who reports overall sales volume at $42 million in 1990. Ready-to-wear inspired styles were introduced for the first time in licensed Dior sleepwear to combat the firm's two year sales decline, which added up to $8 million. Ready-to-wear looks, which now account for about 40% of Dior sleepwear, are expected to generate 10-15% sales increases in 1991. Dior makes up 60% of the firm's overall business, which also includes Carole Hochman and Prima Donna Sleepwear, and Sara Beth, a junior line of daywear and sleepwear.

LEADING MANUFACTURERS

Jockey International reported that 1990 was a successful year and significant increases in Jockey for Her innerwear and hosiery are predicted. Sources estimate overall sales volume at $100 million in 1989, which includes men's, women's and children's innerwear. Jockey believes that fashion is the driving force in innerwear this year, and is offering expanded selections in color and style. Like Maidenform, Jockey plans to expand its presence in Europe by opening Jockey retail outlets.

For the fiscal year ended June 1990, Sanmark-Stardust reported sales of $124,717,000 and net earnings $289,000 (after a $670,000 charge for bad debts of Ames Department Stores and Federated-Allied Stores). In 1989, sales reached $4,755,000. The firms lingerie brands include Cinema Etoile, Movie Star, Unforgettably Yours, Anne Leslie, Sanmark-Stardust and Claxton panties.

Natori's projection for 1991 volume is $30 million, up from $25 million in 1990. Innerwear/outerwear looks in Lycra spandex blends gave Natori's daywear and sleepwear lines a 60% and 20% boost in sales, respectively. In 1989, Eve Stillman sold the name and certain assets of her 42 year-old business to Natori.

Boutique Industries, Inc. reported that designer lines generated 20% gains in 1990. Overall sales volume, which includes moderate lines, reached between $11-12 million in 1990 and is projected to grow to $14 million in 1991. The firm has the licenses for Adrienne Vittadini, Mary McFadden, and Ralph Lauren sleepwear.

Foreign Manufacturers

Wacoal Corporation, a Japanese innerwear giant, currently has branches in the Far East, the United States, and is planning expansion into the European Community, Eastern Europe, and Canada throughout the 1990's. For the year ended March 31, 1990 sales were reported at $1 billion and net income at $54.5 million. Sales of innerwear accounted for 80.3% of total sales. Although U.S. figures were not disclosed, Wacoal reported that the U.S. division faced difficulty partly due to bankruptcies and mergers of some department stores.

LEADING ADVERTISERS

Based on LNA/Arbitron innerwear/nightwear classifications, 1989 advertising expenditures for sleepwear totaled $949,900, expenditures for underclothing totaled $87,770,000 and expenditures for loungewear totaled $644,700. The primary advertisers of loungewear were Christian Dior and Natori while Hanes, Fruit of The Loom, and Playtex had the highest expenditures for underclothing ads.

LEADING ADVERTISERS

Leading Advertisers of Underclothing
By Dollars Spent: 1989

	No. of Brands Combined	Dollars* (000)	%
Hanes Underclothing	6	$31,680.8	36.1%
Fruit of the Loom Underclothing	7	24,588.0	28.0
Playtex Underclothing	3	10,480.5	11.9
BVD Underclothing	1	4,082.3	4.7
Jockey Underclothing	4	3,799.2	4.3
Maidenform Underclothing	2	2,590.8	3.0
Bali Underclothing	2	2,285.9	2.6
Vanity Fair Underclothing	3	1,481.7	1.7
Calvin Klein Underclothing	3	872.7	1.0
Exquisite Form Underclothing	2	772.6	0.9
Top 10 total		82,634.5	94.1
Underclothing Total		87,770.8	100.0

	No. of Brands Combined	Dollars* (000)	%
Christian Dior Loungewear	1	191.5	29.7%
Natori Loungewear	1	171.4	26.6
Lady Marlene Lingerie	1	99.2	15.4
Perry Ellis Loungewear	1	35.9	5.6
Ralph Lauren Loungewear	1	35.9	5.6
Candies Loungewear	1	35.2	5.5
Linda Lingerie	1	34.3	5.3
Oscar De La Renta Loungewear	1	19.8	3.1
Countess Mara Loungewear	1	13.2	2.0
Sulka Loungewear	1	8.3	1.3
Top 10 Total		644.7	100.0
Lounging Apparel Total		644.7	100.0

Leading Advertisers of Sleepwear
By Dollars Spent: 1989

	No. of Brands Combined	Dollars* (000)	%
Spencers Sleepwear	1	$440.3	46.4%
Dr. Denton Sleepwear Infants	1	190.2	20.0
Gerber Sleepwear	1	128.7	13.5
Esleep Sleepwear	1	62.1	6.5
Lanz of Salzburg Sleepwear	1	48.0	5.1
Carters Sleepwear	1	42.9	4.5
Fisher-Price Sleepwear	1	17.3	1.8
Valentino Lingerie	1	15.7	1.7
Wittman Sleepwear	1	4.7	0.5
Top 10 Total		949.9	100.0
Sleepwear Total		949.9	100.0

* Dollar expenditures include space and time in the following nine media: consumer magazines, newspapers, Sunday magazines, outdoor, network TV, spot TV, cable TV, syndicated TV, network radio.

Source: LNA/Arbitron Multi-Media Service

PRODUCTION

Domestic production as well as value of shipments are reported in the Current Industrial Reports issued by the Census Bureau, developed through mail surveys among all known U.S. manufacturers and jobbers, except very small firms (usually with fewer than five employees). Apparel items assembled overseas, but cut in the U.S. which are then sent back to the U.S. producers under the terms of the 807 Tariff regulation are included in the CIR reports, but not apparel items that are produced entirely abroad.

According to the CIR, between 1989 and 1988, slip production declined 14.8%; nightwear production declined 5.3%; and robes, dressing gowns, housecoats, etc., declined 6.5%. Panty production rose 4.5%; and production of pajamas, excluding sets with robes, increased 5.2%.

Summary of Production of Daywear, Nightwear, Foundations By All U.S. Producers: 1989, 1988
(Thousands of dozens)

	1989	1988	% Change 1989/88
Women's, misses', juniors'			
Underwear, total	50,468	48,956	3.1%
Slips, full-length & half	3,031	3,557	- 14.8
Panties, including pettipants	44,429	42,498	4.5
Union suits, camisoles, thermal underwear, etc.	3,008	2,901	3.7
Nightwear, excluding robes	8,238	8,701	- 5.3
Nightgowns & sleep coats	6,402	6,716	- 4.7
Pajamas, except sets with robes	1,010	960	5.2
All other nightwear including peignoir & robe sets, separate bedjackets, excluding lounge robes	826	1,025	- 19.4
Robes, dressing gowns, housecoats, etc.	2,235	2,391	- 6.5
Foundations	23,430	22,997	1.9

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel, MA23A(89)-1

The detailed Current Industrial Reports includes information on fabric construction (woven vs. knit, not including products made in knitting mills) and fabric fiber type. The data is developed through a mail survey of all known U.S. manufacturers and jobbers with the exception of very small plants (generally less than five employees). Figures include garments assembled abroad and shipped back to U.S. cutters under the terms of Item 807 of the Tariff Schedule.

Reported Types of Women's, Misses' & Juniors' Daywear, Nightwear, & Robes
Percent of Production by Type of Fabric: 1989, 1988

	1989	1988
Slips, full length & half	100.0%	100.0%
All cotton & chiefly cotton	2.9	2.8
All man-made & chiefly man-made	92.8	90.7
All other fabric Fabric, n.s.k.	4.3	6.5

(continued)

Reported Types of Women's, Misses' & Juniors' Daywear, Nightwear, & Robes
Percent of Production by Type of Fabric: 1989, 1988
(continued)

	1989	1988
Panties, including pettipants	100.0%	100.0%
All cotton & chiefly cotton	60.1	57.9
All man-made & chiefly man-made	39.7	41.9
All other fabric	0.2	0.2
Fabric, n.s.k.		
Union suits, camisoles, thermal underwear, etc.	100.0	100.0
All cotton & chiefly cotton	35.6	39.7
All man-made & chiefly man-made	52.5	52.1
All other fabric	11.9	8.2
Fabric, n.s.k.		
Nightgowns & sleepcoats, excluding sets with robes	100.0	100.0
All cotton & chiefly cotton	18.3	19.4
All man-made & chiefly man-made	77.6	74.1
All other fabric	4.1	6.5
Fabric, n.s.k.		
Pajamas, except sets with robes	100.0	100.0
All cotton & chiefly cotton	35.1	33.3
All man-made & chiefly man-made	58.8	62.9
All other fabric	6.1	3.8
Fabric, n.s.k.		
All other nightwear, incl. sep. bedjackets, peignoir & robe sets, excl. lounge robes	100.0	100.0
All cotton & chiefly cotton	na	2.6
All man-made & chiefly man-made	92.9	88.4
All other fabric	na	9.0
Fabric, n.s.k.		
Robes, dressing gowns, housecoats, etc.	100.0	100.0
All cotton & chiefly cotton	26.8	29.6
All man-made & chiefly man-made	68.6	63.2
All other fabric	4.6	7.2
Fabric, n.s.k.		
Foundation garments	100.0	100.0
All cotton & chiefly cotton	5.1	na
All manmade & chiefly manmade	90.6	na
All other fabric	4.3	na
Fabric n.s.k.		

n.s.k. not specified by kind
na not available

Source: U.S. Bureau of the Census: Current Industrial Reports, Apparel, MA23A(89)-1

Reported Types of Women's, Misses' & Juniors' Innerwear & Nightwear Percent of Production By Construction: 1988, 1989

	1989	1988
Nightgowns & sleepcoats	100.0%	100.0%
Woven fabric	44.0	45.0
Knit fabric	56.0	55.0
Pajamas, except sets with robes	100.0	100.0
Woven fabric	35.0	35.0
Knit fabric	65.0	65.0
Peignoir & robe sets	100.0	100.0
Woven fabric	40.0	40.0
Knit fabric	60.0	60.0
Robes, dressing gowns, housecoats, etc.	100.0	100.0
Woven fabric	59.0	60.0
Knit fabric	41.0	40.0
Slips	100.0	100.0
Woven fabric	8.0	13.0
Knit fabric	92.0	87.0
Panties & Pettipants	100.0	100.0
Woven fabric	1.0	13.0
Knit fabric	99.9	87.0
Vests, Camisoles, Union Suits, etc.	100.0	100.0
Woven fabric	3.0	4.0
Knit fabric	97.0	96.0

Source: National Cotton Council of America:
"Cotton Counts It's Customers" (1990 Edition)
based on Census Bureau reports.

Materials Consumed in Production

The 1987 Census of Manufactures gives official figures on the value of materials consumed by plants classified in specified innerwear/nightwear industries. These figures are compared with 1982 census data and are in current dollars.

Materials Consumed in Production (continued)

Consumption of Materials in the Production of Specified Innerwear, Nightwear: 1982,1987

(Millions of Dollars)

	1987 Delivered Cost*	1982 Delivered Cost*
Women's and children's underwear and nightwear		
Materials, containers, and supplies, total	$ 925.6	$ 897.4
Broadwoven fabrics	181.7	179.7
Knit fabrics	491.7	397.7
All other materials, containers, and supplies	193.5	176.4
Materials, containers, and supplies, n.s.k.	58.7	143.6
Brassieres, girdles, and allied garments		
Materials, containers, and supplies, total	$ 346.8	$ 251.2
Broadwoven fabrics	85.1	57.1
Knit fabrics	199.9	128.6
All other materials, containers, and supplies	44.0	46.7
Materials, containers, and supplies, n.s.k.	17.8	18.8
Knit underwear mills		
Materials, containers, and supplies, total	$ 510.4	$ 329.9
Knit fabrics	8.8	5.3
Carded cotton yarns	158.8	83.8
Combed cotton yarns	46.5	35.9
Manmade fiber yarns,filament, & spun	64.0	57.4
Manmade fiber yarns, acrylic	3.7	na
All other yarns	22.1	28.8
All other materials, containers, & supplies	202.9	112.0
Materials, containers, and supplies, n.s.k.	3.6	6.7
Robes and dressing gowns		
Materials, containers, and supplies, total	$ 206.9	$ 156.3
Broadwoven fabrics	91.8	87.4
Knit fabrics	95.6	35.6
All other materials, containers, & supplies	10.2	10.7
Materials, containers, and supplies, n.s.k.	9.2	22.5

na not available
n.s.k. not specified by kind

*Delivered cost of materials not only includes the price for materials, but also freight charges and any other charges incurred by the establishment acquiring these materials.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

PRODUCTION

Seasonality in Production

Production of underwear and foundation garments was highest during the third and fourth quarters of the year while production of robes and dressing gowns tended to fall into the first and second quarters.

Percent of Year's Cuttings of Innerwear/Nightwear By Quarters: 1989

		By Quarter			
	Total	First	Second	Third	Fourth
Robes & dressing gowns*	100.0%	29.2%	26.7%	22.9%	21.2%
Pajamas, nightgowns & other nightwear*	100.0	25.0	25.2	25.5	24.3
Underwear, except foundation garments*	100.0	25.5	21.4	26.6	26.5
Foundation garments	100.0	21.9	24.8	26.8	26.5

*Includes men's, women's, boys', girls' (not infants').

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel 1989

PRODUCT SHIPMENTS

In contrast with "industry shipments" previously covered and defined on page 7, the value of product shipments covers the total value of shipments of specified items by all U.S. manufacturing plants, regardless of industry classifications based on primary products.

According to the 1988 Annual Survey of Manufactures, shipments of women's and children's underwear and nightwear totaled $2.5 billion that year, down 3.1% from 1987. Shipments of brassieres and allied garments rose 15% between 1988 and 1987. These reports are conducted each year between censuses, (the most recent census covered the year 1987).

Value of Shipments of Innerwear & Nightwear
By All U.S. Producers: 1982, 1987, 1988

	Millions of Dollars			% change	
	1988	1987	1982	88/87	87/82
Women's & children's underwear and nightwear (SIC 2341)	$2,513.3	$2,591.4	$2,356.3	-3.1	10.0%
Underwear	1,041.3	1,019.2	831.0	2.2	22.6
Nightwear	1,121.7	1,180.0	1,127.4	-5.0	4.7
Commission work on underwear and nightwear	284.6	322.6	314.5	-11.8	2.6
Underwear & nightwear n.s.k.	65.8	69.6	83.3	-5.5	-16.4

(continued)

PRODUCT SHIPMENTS

Value of Shipments of Innerwear & Nightwear By All U.S. Producers: 1982, 1987, 1988
(continued)

	Millions of Dollars			% Change	
	1988	1987	1982	88/87	87/82
Brassieres and allied garments (SIC 2342)	$1,130.8	$983.1	$666.7	15.0	47.5
Brassieres, bralettes and bandeaux	795.0	713.5	450.8	11.4	58.3
Corsets, girdles, combinations and accessories	228.0	143.1	159.1	59.3	-10.1
Commission work on brassieres, corsets and allied garments	38.3	74.2	19.8	48.4	274.7
Brassieres, corsets & allied garments n.s.k.	69.5	52.2	37.1	33.1	40.7
Women's and children's underwear made in knitting mills	130.7	142.4	125.3	-8.2	13.6
Women's and children's nightwear made in knitting mills	35.1	41.2	61.9	-14.8	-33.4
Women's, misses' and junior's robes and dressing gowns	na	335.4	301.3	--	11.3

n.s.k. not specified by kind

Source: U.S. Bureau of the Census:
1988 Annual Survey of Manufactures M88(AS)-2
1987 Census of Manufactures

Information in greater detail on the value of product shipments is contained in the Current Industrial Reports, developed through a mail survey of all known U.S. manufacturers and jobbers (except very small plants). Included are garments assembled abroad under the terms of Item 807 of the Tariff Schedule. Shipments of women's, misses', and juniors' underwear rose 11.2% in value in 1989. Nightwear shipments dropped 9.3% in value. Shipments of brassieres, rose 7.7%. Shipments of products made in knitting mills are not separately reported, but are included in the table below.

Value of Shipments of Specified Women's, Misses' & Juniors' Inner Fashion Classifications By All U.S. Producers: 1989, 1988
(Millions of dollars)

	1989	1988	% Change 1989/88
INNERWEAR, NIGHTWEAR, ROBES, total	$2,058.1	$2,049.8	0.4%
Underwear	1,021.2	918.6	11.2
Slips, full-length & half-slips	168.9	179.9(r)	- 6.1
Panties, including pettipants	662.2	604.8	9.5
Union suits, camisoles, thermal underwear, etc.	190.1	133.9	42.0
Nightwear, excluding robes, total	739.0	815.1	- 9.3
Nightgowns, sleepcoats, excluding sets with robes	552.2	625.1	-11.7
Pajamas, except sets with robes	91.6	85.2	7.5
All other nightwear, incl. separate bedjackets, peignoirs, & robe sets	95.2	104.8	- 9.2
Robes, dressing gowns, housecoats, etc.	297.9	316.1	- 5.8

(continued)

PRODUCT SHIPMENTS

Value of Shipments of Specified Women's, Misses' & Juniors' Inner Fashion Classifications By All U.S. Producers: 1988, 1989
(Millions of dollars)
(continued)

	1989	1988	% Change 1989/88
FOUNDATIONS#:	$1,187.8	$1,103.0	7.7
Brassieres, bralettes, & bandeaux (incl. maternity)	959.3	865.2(r)	10.9
Corsets, including maternity	6.3	na	--
Girdles	174.5	149.3	16.9
Garter belts	4.3	3.7	16.2
Combinations & one piece garments	34.4	38.4	- 10.4

Includes domestic and Puerto Rican shipments.

Source: U.S. Bureau of the Census: Current Industrial Reports, Apparel MA23A(89)-1

Leading States

The 1987 census provided the latest official information on the value of shipments by manufacturers in each state.

Value of Shipments By All Producers In Leading States, 1987
(Millions of dollars)

	Value	% of Total
Women's & children's underwear, U.S. total	$1,019.2	100.0%
Leading states:		
Georgia	158.0	15.5
North Carolina	139.7	13.7
Alabama	116.6	11.4
New York	106.4	10.4
Pennsylvania	81.3	7.8
California	79.1	7.8
Kentucky	65.1	6.4
New Jersey	62.0	6.1
Women's & children's nightwear, U.S. total	$1,180.0	100.0%
Leading states:		
New York	220.7	18.7
North Carolina	168.5	14.3
Pennsylvania	119.8	10.2
California	92.7	7.9
Michigan	54.7	4.6

(continued)

PRODUCT SHIPMENTS

Leading States (continued)

Value of Shipments By All Producers In Leading States, 1987
(Millions of dollars)
(continued)

	Value	% of Total
Brassieres, U.S. total	$ 713.5	100.0%
Leading states:		
New York	193.1	27.1
New Jersey	114.4	16.0
California	79.5	11.1
Corsets, girdles, combinations & accessories, U.S. total	143.1	100.0%
Leading states:		
Pennsylvania	33.6	23.5
New York	29.0	20.3
Georgia	15.8	11.0
New Jersey	6.1	4.3

Source: U.S. Bureau of the Census:
1987 Census of Manufactures

PRODUCER PRICE TRENDS

U.S. producer (factory) prices for women's underwear rose 1.8%, prices for women's nightwear rose 3.6%, and prices for girdles, corsets, and accessories rose 2.6%, when comparing December 1990 to December 1989. Prices for brassieres, however, fell 1.9% during the same period.

Producer Price Index For Selected Women's Innerwear & Nightwear Items
(1982 - 100)

	Index Dec. 1990	% Change Dec. 1990/89	Annual Avg. 1989
Women's and children's underwear & nightwear	114.3	1.8%	na
Underwear	120.2	2.0	na
Women's underwear	115.8	1.8	na
Slips, half slips, and petticoats	114.4	3.5	110.5
Chiefly synthetic fibers	113.6	3.6	na
Panties	118.0	0.9	117.5
Other women's underwear	121.2	1.0	na
Nightwear	112.4	1.4	na
Women's nightwear	110.9	1.3	110.5
Nightgowns	110.0	1.1	na
Chiefly synthetic fibers	112.9	1.3	na
Pajamas	111.8	0.0	na
Chiefly synthetic fibers	111.8	0.0	na
Other women's nightwear	115.2	3.0	na

(continued)

PRODUCER PRICE TRENDS

Producer Prices (continued)

Producer Price Index For Selected Women's Innerwear & Nightwear Items
(1982 = 100)
(continued)

	Index Dec. 1990	% Change Dec. 90/89	Annual Avg. 1989
Brassieres & allied garments	128.4	-0.2%	na
Brassieres	125.4	-1.9	119.7
Bandeau	125.3	-2.0	na
Other bras, including long line	129.5	2.0	na
Girdles, corsets, combinations, and accessories	140.2	2.6	128.9

Source: U.S. Department of Labor:
Bureau of Labor Statistics

FOREIGN TRADE

Import Prices

From December 1989 to December 1990, the import price index for woven undergarments rose 2.8%, according to the U.S. Bureau of Labor Statistics. Import prices for knitted undergarments declined 0.4% during the same period. Import prices are based on U.S. dollar prices paid by the U.S. importer.

U.S. Import Price Indexes
For Selected Intimate Apparel Categories
(1985 = 100)

	Sept. 1990	Dec. 1990	% Change Annual Dec. 89/ Dec. 90	% Change Quarterly Sept. 90/ Dec. 90
Woven Undergarments	122.2	122.7	2.8%	0.4%
Knitted Undergarments	129.8	129.1	2.1	-0.5

Source: U.S. Department of Labor:
Bureau of Labor Statistics

FOREIGN TRADE

Imports & Exports

Imports of all apparel were relatively slow in 1990 due to a softening of the U.S. market. Export growth (in value) was twice that of imports in 1990, but this did not counterbalance a widening apparel trade deficit which increased from 20.5 billion in 1989 to 22.5 billion in 1990, according to the U.S. Industrial Outlook.

Starting January 1, 1989, trade activity has been classified under the Harmonized Tariff Schedule of the United States. Under this new system, U.S. trade statistics are comparable to those of other countries using the system. However, as a result of the changeover, analysis of changes in activity by industry is extremely difficult for 1988-90, since it is impossible to detect if volume changes are due to reporting modifications or actual trade developments.

Data for import and export value of specified women's and girls' innerwear/nightwear items are listed below for the full year 1989 and the first half of 1990.

Summary of U.S. Imports & Exports of Women's and Girls' Innerwear and Nightwear
(thousands of dollars)

	Full Year 1989		Jan.-June 1990	
	General Imports*	Exports**	General Imports*	Exports**
Slips & Petticoats				
Textile-Knit	$ 7,674	$2,085	$2,451	$ 719
Textile-Not Knit	6,215	4,926	3,421	3,947
Briefs and Panties				
Textile-Knit	184,555	21,107	99,858	18,753
Singlets, briefs, etc.				
Textile-Not Knit	155,662	21,321	82,048	6,381
Nightdresses & pajamas				
Textile-Knit	105,055	7,975	65,235	4,945
Textile-Not Knit	205,967	31,098	81,095	12,144
Negligees, Bathrobes, etc.				
Textile-Knit	39,144	5,293	14,002	1,256

* Import values are defined as the customs value or the price paid or payable for merchandise when sold for exportation to the U.S., excluding U.S. import duties, freight, insurance, and other charges incurred in bringing the merchandise to the United States.

**F.A.S. value (free alongside ship) is the value of exports at the U.S. port of export, based on the transaction price, including inland freight, insurance and other charges incurred in placing the merchandise alongside the carrier at the U.S. port of exportation.

Source: U.S. Department of Commerce, Bureau of the Census:
U.S. Merchandise Trade: Exports, General Imports and Imports for Consumption
(FT925, Dec. 1989, June 1990)

FOREIGN TRADE

"Special Provision" Imports

The following Census Bureau data on 1989 "Special Provision" imports represents apparel cut in the U.S., sent outside the country to be sewn, and then returned to the U.S. under the terms of chapter 98 (formerly 807 "Caribbean Basin Initiative" plan). "Special Provision" information for 1988 was not reported by the Census Bureau.

About 82% of the $1.7 billion of U.S. apparel imports from the Carribean in 1989 fell under the "Special Provision" program which specifies the use of U.S. cut fabrics. The participating nations of the Caribbean fear that the collapse of the Uruguay Round of trade talks could hinder future growth of exports to the U.S.

Quantity & Value of "Special Provision" Imports: 1989
(Quantity in thousands of dozens; value in millions of dollars)

		Value		
	Quantity	U.S. Content*	Total Value**	U.S. Content % of Total
Women, Girls, Infants				
Robes & dressing gowns	378	$ 11.2	$18.0	62.2%
Pajamas	1,766	41.5	69.6	59.6
Foundation garments	14,039	$171.7	255.5	67.2
Underwear except foundation garments	11,756	93.7	123.7	75.7

* Represents the value of U.S. fabricated components.
** C.I.F. (Cost, insurance, freight) value including the value of U.S. fabricated components and foreign processing. Import duties are not included.

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A(89)-1

Imports

Using a different merchandise classification system (published in Census Bureau report (IM146)), the following data on imports for 1989 and 1988 was reported. Note that import duties are included in the value reported.

FOREIGN TRADE

Imports (continued)

Quantity & Value of Imports For Consumption in the U.S.: 1989, 1988
(Quantity in thousands of dozens; value in millions of dollars)

	Quantity			Value *		
	1989	1988	% Change	1989	1988	% Change
Women, girls, infants						
Robes and dressing gowns	2,174	na	--	$ 225.6	na	--
Pajamas	7,238	4,459	62.3%	470.2	286.7	64.0%
Foundation garments	18,240	18,749	-2.7	407.2	434.1	-6.2
Underwear except foundation garments	39,246	na	--	504.5	na	--

*The C.I.F. value plus U.S. import duties.

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A(89)-1

Exports

Much of the growth in U.S. exports of apparel in recent years has reflected an increase in shipments of unassembled apparel to Mexico, Central America, and the Caribbean under tariff provision 98 (formerly 807). The provision allows these products to be finished abroad and returned to the U.S. market with duty charged only on the value added abroad.

Quantity & Value of Exports of Specified Apparel: 1989, 1988
(Quantity in thousands of dozens; value in millions of dollars at port)

	Quantity			Value (F.A.S.)*		
	1989	1988	% Change	1989	1988	% Change
Women, girls, infants						
Robes & dressing gowns	465	na	--	$14.0	na	--
Underwear	7,536	3,221	134.0%	84.1	33.2	153.3
Pajamas	1,530	869	76.1	46.5	23.8	95.4
Foundation garments	13,602	11,346	19.9	165.2	128.9	28.2

*F.A.S: Free alongside ship, Value at the U.S. port of export

Source: U.S. Bureau of the Census:
Current Industrial Reports, Apparel MA23A(89)-1

FOREIGN TRADE

Import Share of New Supply

According to an analysis of the U.S. market supply of key innerwear/nightwear classifications, compiled by the U.S. Bureau of the Census, 1989 imports of pajamas (in terms of quantity) represented 32.9% of total U.S. consumption up from 24.0% in 1988. In terms of value, imports' share of consumption of pajamas rose from 21.1% in 1988 to 28.8% in 1989. In 1989, imports of foundations (in terms of quantity) represented 65% of total U.S. consumption of these products.

Apparent Consumption & Imports' Share: 1989-1988

Women's, Girls', Infants' Innerwear/Nightwear	Apparent Consumption*		% Accounted For By Imports	
	1989	1988	1989	1988
QUANTITY (thous. dozens)				
Robes & dressing gowns	4,791	na	45.4%	na
Underwear	182,613	na	21.5	na
Pajamas	21,984	18,546	32.9	24.0
Foundations	28,068	24,887	65.0	na
Brassieres, bralettes, bandeaux	na	23,086	na	73.7
Girdles, corsets, comb. & accessories	na	7,314	na	23.6
VALUE (thous. $)				
Robes & dressing gowns	630.3	na	35.8%	na
Underwear	3,062.2	na	16.5	na
Pajamas	1,631.5	1,360.5	28.8	21.1
Foundations	1,429.8	1,408.1	28.5	na
Brassieres, bralettes, bandeaux	na	1,115.5	na	32.8
Girdles, corsets, comb. & accessories	na	292.6	na	23.2

* - Apparent consumption represents new domestic supply, and is derived from the sum of U.S. manufacturers' shipments plus imports, less exports. The value of imports is C.I.F. (cost insurance, freight) plus estimated U.S. duties.

Source: U.S. Bureau of the Census: Current Industrial Reports MA23A(89)-1

In an analysis by Kurt Salmon Associates the following share of total consumer purchases was attributed to imported merchandise for women (excluding children) in 1989 compared with 1988.

Percent of Unit Purchases of Women's Sportswear Accounted For By Imports: 1989, 1990

	1990	1989	% Point Change
Women's			
Nightwear	43.0%	35.5%	7.5
Daywear	17.1	16.0	1.1
Loungewear	28.9	27.4	1.5
Bras	62.5	61.6	0.9
Panties	30.2	26.5	3.7
Girdles	36.9	40.1	3.2

Source: The KSA/NPD Purchase Panel, Kurt Salmon Associates, New York, NY

Imports By Country of Origin

For the innerwear/nightwear categories listed below, Asian and Carribean countries accounted for the majority of U.S. imports. Again, due to the reclassification of data under the Harmonized System, comparisons between the years 1990 and earlier years were not made.

General Imports of Women's & Girls' Innerwear & Nightwear By Leading Countries of Origin: Full Year 1989, Jan.-June 1990

	Percent Accounted For By Primary Countries (based on customs value)	
	Jan.-June 1990	Full Year 1989
Slips and Petticoats		
Textile, Knit	100.0%	100.0%
Haiti	59.8	44.3
Dominican Republic	22.4	33.0
Textile, not knit	100.0	100.0
China	36.3	31.5
Korea	18.9	na
Hong Kong	15.8	16.4
Briefs and panties		
Textile, knit	100.0	100.0
Hong Kong	25.7	26.0
Dominican Republic	15.3	11.7
Singlets, briefs, etc.		
Textile, not knit	100.0	100.0
China	27.1	20.9
Hong Kong	16.5	16.4
Nightdresses & pajamas		
Textile, knit	100.0	100.0
Hong Kong	27.4	31.3
Turkey	11.3	4.5
Korean Republic	8.2	4.6
Taiwan		10.6
Textile, not knit	100.0	100.0
China	23.7	19.8
Hong Kong	16.8	21.2
Negligees, bathrobes, etc.		
Textile, Knit	100.0	100.0
China	16.4	17.6
Taiwan	12.3	16.3

* Customs value is the price paid abroad, not including U.S. import duties or other costs.

Source: U.S. Department of Commerce, Bureau of the Census: U.S. Merchandise Trade: Exports, General Imports and Imports for Consumption (FT925, Dec. 1989, June 1990)

AT THE RETAIL LEVEL

THE POTENTIAL MARKET

Demographic trends, particularly the aging of the population, will strongly influence style, size and fabrication preferences in intimate apparel. As baby boomers age, and their spending capabilities increase, a strong market will be created for upscale intimate apparel. Fabrics made of cotton/Lycra or nylon/Lycra blends, which provide light support and comfort, may attract this segment. Although traditional looks dominate with this age group, increasing numbers are drawn to the updated styles and colors of designer intimate apparel.

The median age of women will increase from 34.1 in 1990 to 40.3 in 2010, according to the Census Bureau. Women 35-54 represent the largest segment of the adult female population in 1990, and they will continue to dominate in 2000 and 2010. Between 1990 and 2010, the highest growth segment will be the 55-64 age group, increasing 62.1%.

Estimated Female Population of the U.S., 1990 & Projections 2000*, 2010*
(Numbers in thousands, including Armed Forces overseas)

	Number (thousands)			% Change	Percent Distribution		
	1990(e)	2000(p)	2010(p)	2010/1990	1990(e)	2000(p)	2010(p)
Total all ages	128,167	137,076	144,241	12.5%	100.0%	100.0%	100.0%
Under 16 years	28,012	28,333	26,875	-4.1	21.9	20.7	18.6
16 years & older	100,155	108,742	117,366	17.2	78.1	79.3	81.4
16-19 years	6,886	7,440	7,410	7.6	5.4	5.4	5.1
20-34 years	31,110	27,198	28,316	-9.0	24.3	19.8	19.6
35-54 years	32,193	40,893	40,391	25.5	25.1	29.8	28.9
55-64 years	11,260	12,601	18,257	62.1	8.8	9.2	12.7
65 & over	18,706	20,608	22,991	22.9	14.6	15.0	15.9
Median age	34.1	37.6	40.3	18.2	--	--	--

* Middle of a series of three projections, each based on alternative assumptions as to future fertility, and net immigration levels. (Totals may not add to 100% due to rounding.)

Source: U.S. Bureau of the Census: Current Population Reports, (P-25, No. 1018)

Large Sizes

Despite a weakened economy, and an overall downturn in consumer spending, manufacturers and retailers of large-size apparel anticipate rapid sales growth througout 1991 Large size is still an evolving category, retailers indicated, and the numbers of outlets selling fashion-forward large size collections continue to multiply. Operations such as Charisma, The Forgotten Women, Audrey Jones and Spiegel plan to open additional outlets in 1991, according to WWD.

Large Sizes (continued)

In the past, large-size customers were limited in color or fashion options for all apparel, but particularly innerwear. However, the industry is slowly realizing that large-size customers want the same fashionable styles as everyone else and are willing to pay premium prices for these garments.

Some retailers still fail to pay attention to large-size intimate apparel lines. Manufacturers indicate that while specialty stores have accepted plus-size lingerie, some department stores are slow to adapt. One major manufacturer noted that department stores have the added advantage of cross-selling lingerie with ready-to-wear, to stimulate multiple sales.

Working Women

The participation rate (civilian labor force as a percent of civilian noninstitutional population), for women age 16 and older, reached 66.2% in 1990 and is projected to grow to 69% by the year 2000, according to the U.S. Bureau of Labor Statistics.

The following table provides a breakout of employment figures by occupation for women age 16 and older. While administrative support positions dominated in 1989, the fastest growing jobs among women include executive or managerial positions and professional specialty positions.

Employment of Civilian Women by Occupation: 1989
(Numbers in thousands)

	1989		% change
	No.	%	1989/1986
Total employed civilian women age 16 & over	53,027	100.0%	8.9%
Executive, administrative, managerial	5,904	11.1	26.9
Professional specialty (engineers, lawyers, etc.)	7,842	14.8	14.1
Technicians and related support (health,engineering,science,etc.)	1,759	3.3	11.3
Sales occupations	6,941	13.1	8.7
Administrative support, incl. clerical	14,741	27.8	3.4
Service occupations	9,391	17.7	5.5
Precisions production,construction trades,crafts,repair	1,190	2.2	3.5
Machine operators, handlers, laborers	4,695	8.9	7.8
Farming, forestry, fishing	565	1.1	3.1

Source: U.S. Bureau of Labor Statistics:
Employment and Earnings and
Handbook of Labor Statistics

THE POTENTIAL MARKET

Money Income of Women

In 1989, the median imcome for women was $9,624 (including part-time workers). Year-round, full-time working women had a median income of $19,638. Women with executive or managerial positions earned a median income of $24,589 while females in professional specialty positions earned a median income of $27,933. Women in administrative support positions, including clerical, earned a median income of $17,517. Women with four years of college earned a median income of $26,709; five or more years of college earned $32,050.

The 35-44 age group (baby boomers), reported the highest median level of income ($13,805) for all women in 1989.

Total Money Income of Women
By Age Group, 1989
(Numbers in thousands)

	Total	15-24	25-34	35-44	45-54	55-64	65 & Over
Total	98,838	17,722	21,778	18,864	13,012	11,230	17,232
With income	91,399	14,115	20,209	17,692	12,007	10,315	17,060
Under $10,000	46,935	10,466	8,427	6,809	4,851	5,442	10,939
$10,000-$19,999	23,723	2,849	6,132	4,915	3,247	2,563	4,017
$20,000-$29,999	11,964	603	3,531	3,257	2,044	1,301	1,226
$30,000 & over	8,778	197	2,117	2,708	1,867	1,010	877
Median income	$ 9,624	$ 4,739	$12,231	$13,805	$13,143	$ 9,163	$ 7,655
Mean income	$13,226	$ 6,947	$14,439	$16,731	$16,524	$13,201	$11,042

Percent Distribution of Women
By Total Money Income and Age Group, 1989

	Total	15-24	25-34	35-44	45-54	55-64	65 & Over
Total							
With income	91.5%	79.6%	92.8%	93.8%	92.3%	91.9%	99.0%
Percent	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under $10,000	51.3	74.1	41.7	38.5	40.5	52.8	64.2
$10,000-$19,999	26.0	20.2	30.3	27.8	27.0	24.8	23.5
$20,000-$29,999	13.1	4.3	17.5	18.4	17.0	12.6	7.2
$30,000 & over	9.6	1.4	10.5	15.3	15.5	9.8	5.1

Source: U.S. Bureau of the Census: Current Population Reports
(Series P-60, No. 168)

THE POTENTIAL MARKET

Specialized Markets: Bridal Wear

The bridal market spends about $31 billion at retail annually, according to the 1989 Bridal Market Spending Study compiled by Modern Bride magazine. Trousseau purchases represent $283 million in retail sales, the report indicated. Innerwear is an important component of spending by and for the bride.

Although the number of marriages is expected to decline slightly throughout the 1990s, the number of affluent couples is on the rise. Couples today are largely dual income, are more highly educated, and command greater salaries. The median income for newly married householders is $34,300, Modern Bride reports.

The number of marriages tend to spread out evenly throughout the year, although June remains the most popular month. December is the most popular month for engagements.

According to WWD, the bridal business (including wedding gowns, innerwear, and accessories) was up 10-12% in 1990. The return to traditional ideas, formal weddings, and lingerie showers are contributing to the success of the trousseau business, WWD indicated.

Retailers are placing greater emphasis on their innerwear lines in 1991, as they are putting greater emphasis on bridal lingerie in lingerie shows, broadening vendors and styles, and including bridal lingerie as part of their bridal registries. Retailers noted that their pursuit of the bridal business results from the feeling that it is recession proof. Bridal lingerie can be promoted at full price, and markdowns are infrequent or nonexistent.

Top sellers in the bridal business include Natori and Carole Hochman Designs, Inc. (Sara Beth, and licensed Christian Dior and Miss Dior).

Specialized Markets: Maternity Wear

About 4.0 million babies were born in the U.S. during 1989, a 3% increase from 1988, and the largest number reported since 1964. The birth rate was 16.2 live births per 1,000 population in 1989, 2% higher than 1988. The monthly pattern in births peaked during July - September 1989. (Note: Further details on births and demographics are covered in (The) CONSUMER MARKET DEVELOPMENTS FACT FILE).

CONSUMER PRICE TRENDS

Consumer Prices

Consumer prices for women's underwear, nightwear and hosiery rose 4.3% on average in December 1990 compared to December 1989. This increase is less than the price increase for all women's apparel, which rose 6.6% during the same period. Annual data for 1989 showed a 3.3% price increase over 1988 for women's underwear, nightwear, hosiery, and accessories.

Consumer Prices (continued)

Consumer Price Indexes for Women's Inner Fashions, December 1990 Annual Average, 1989, 1988

(1982-84 = 100)

	December Index		Annual Average		
	1990	% Change 1990/89	1989	1988	% Change 1989/88
All items	123.0	5.0%	116.7	113.7	2.6%
Apparel (not including footwear)	123.8	5.3	117.1	114.4	2.4
Women's apparel	124.2	6.6	116.6	115.3	1.1
Women's underwear, nightwear, hosiery and accessories	121.3	4.3	114.5	110.8	3.3

Source: U.S. Department of Labor,
Bureau of Labor Statistics

CONSUMER EXPENDITURES

In order to collect a continuous flow of information on purchases by U.S. consumers to be used in periodic revisions of the Consumer Price Index base, an on-going survey of a representative sample of households is conducted by the Census Bureau for the Bureau of Labor Statistics. BLS findings on the pattern of spending by income group, region, and age are summarized in the following tables.

Although consumer units (households) earning $40,000 or more represent about 27% of the population, nearly 40% of all foundation and 32% of all sleepwear purchases were made by this group, based on average spending per household reported by the BLS.

Percent Distribution of Expenditures for Women's Innerwear/Nightwear By Income Before Taxes, 1989

	% of Consumer Units By Income	% Purchased By Income Group	
		Daywear/Foundations	Nightwear/ Loungewear/Robes
Total	100.0%	100.0%	100.0%
$40,000 & Up	26.7	39.5	32.1
$30,000 - $39,999	13.7	15.8	21.2
$20,000 - $29,999	16.6	24.1	14.5
$10,000 - $19,999	22.7	13.8	24.3
Less than $ 9,999	20.3	6.7	7.8

Source: Based on U.S. Bureau of Labor Statistics: *1989 Consumer Expenditure Survey*

CONSUMER EXPENDITURES

The BLS report on spending patterns by region shows that in the West, expenditures for sleepwear were higher than any other region, but undergarment expenditures were lower compared to the other regions. The highest expenditures for undergarments were in the South, followed closely by the Midwest.

Percent Distribution of Expenditures for Women's Innerwear/Nightwear By Region, 1989

	% of Consumer Units	Daywear/Foundations	Nightwear/ Loungewear/Robes
Total	100.0%	100.0%	100.0%
Northeast	21.0	20.9	23.4
Midwest	25.4	32.3	18.3
South	33.3	32.3	28.5
West	20.3	14.5	29.8

Source: Based on U.S. Bureau of Labor Statistics: 1989 Consumer Expenditure Surveys

Expenditures for daywear/foundations and nightwear/loungewear were highest in the 35-44 age category, according to the BLS.

Percent Distribution of Expenditures for Women's Innerwear/Nightwear By Age, 1989

	% of Consumer Units	Daywear/Foundations	Nightwear/ Loungewear/Robes
Total	100.0%	100.0%	100.0%
Under 25	7.4	4.7	3.7
25-34	20.0	14.4	16.1
35-44	19.7	23.8	28.2
45-54	14.0	21.3	8.7
55-64	19.3	21.7	27.8
65+	19.6	14.1	15.5

Source: Based on U.S. Bureau of Labor Statistics: 1989 Consumer Expenditure Surveys

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

Through a complete census of all U.S. retail businesses, the Bureau of the Census, U.S. Department of Commerce, compiles data on specific store types, and merchandise line sales (in broad classifications) in stores with payroll. The census is taken every five years (for years ending in 2 and 7), and results for 1987 are currently being released by the bureau. The Fairchild Fact Files, A STATISTICAL ANALYSIS OF RETAILING (1990), MERCHANDISE LINE SALES (1990), and MERCHANDISE SALES BY OUTLET TYPE WITH PAYROLLS (1987) cover census data on firms in retailing, store types operated and total sales.

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

The 1987 census reported store and sale breakouts, by key outlet types, for two major intimate apparel lines--Brassieres, girdles, corsets, etc. (foundations) and Lingerie, sleepwear, and nightwear.

Total sales of foundations amounted to $2.1 billion, with department stores representing the majority of sales (79.9%), followed by family clothing stores (11.4%), and then women's clothing stores (8.7%).

Lingerie, sleepwear, and nightwear sales, in reported outlet types, totaled $3.6 billion. Again, total department store sales represented the majority of sales (70%), followed by women's clothing stores (15.4%) and then family clothing stores (14.4%).

Reported Sales of Women's Innerwear/Nightwear by Store Type, 1987

(includes only stores with payrolls)

	Stores Reporting Sales		Sales	
	Number*	% of total	Thous. $	% of total
Bras, Girdles, Corsets, etc.	27,041	100.0%	$2,081,552	100.0%
Department stores#	9,674	35.8	1,663,622	79.9
Conventional	2,284	8.4	731,042	35.1
Discount/Mass Merchandising	5,597	20.7	476,249	22.9
National Chain	1,793	6.6	456,331	21.9
Women's clothing stores##	10,878	40.2	181,135	8.7
Family clothing stores###	6,489	24.0	236,795	11.4
Lingerie, Sleepwear and Nightwear	39,607	100.0%	$3,568,911	100.0%
Department stores#	9,860	24.9	2,494,692	70.0
Conventional	2,366	6.0	1,247,509	35.0
Discount/Mass Merchandising	5,700	14.4	683,474	19.2
National Chain	1,793	4.5	563,709	15.8
Women's clothing stores##	20,932	52.8	549,558	15.4
Family clothing stores###	8,415	21.2	519,274	14.4
Children's and infants' wear stores####	400	1.0	5,387	0.2

*Each business location is separately counted as a store unit, including each unit in a multi-unit organization.

# Sales of leased departments are not included. Leased departments are separately counted as retail stores in the kind of business they conduct. The department store descriptions are as follows: Conventional - Department stores which provide checkout service and customer assistance within each department; sell primarily nationally advertised brands; National Chain Department Stores - provide check out service and customer service within each department; usually have a catalog order service: are affiliated with a company which operates similar stores on a national basis; often sell soft and hard goods which are their own brands or are unbranded. Discount or Mass Merchandising Department Stores - convey the image of high-volume fast turnover at less than conventional prices; provide centralized checkout service; are usually self-service; do not have a catalog order service.

(footnotes continued)

RETAIL SALES BY STORE TYPE: 1987 CENSUS OF RETAIL TRADE

## Women's Clothing Stores - are stores primarily selling women's and girls' ready-to-wear apparel. Establishments are included in this category if (1) sales of all types of apparel account for 50 percent or more of total sales, (2) sales of all women's and girls' apparel are three or more times the sales of all men's and boys' apparel, and (3) sales of dresses, skirts, slacks, coats, suits, and furs are two or more times greater than the sales of millinery, hosiery, underwear, blouses, handbags, and other apparel and accessores.

### Family Clothing Stores - are stores primarily selling clothing, furnishings, accessories for men, women and children, without specializing in any one line and meet the following: (1) sales of all types of apparel account for 50% or more of their total sales; (2) sales of women's and girls' apparel are not more than three times the sales of all men's and boys' wear, and vice versa.

\####Children's and Infants' wear Stores - establishments primarily engaged in the retail sale of children's and infants' clothing, furnishings, and accessories. They may specialize in either children's or infants' wear or sell a combination of children's and infants' wear.

Detailed data on merchandise line sales of intimate apparel in women's accessory & specialty stores was not included in the Census Reports. There were a total of 7,490 stores in this classification with women's & girls' wear sales of $2.4 billion.

Source: U.S. Bureau of the Census,
1987 Census of Retail Trade: Merchandise Line Sales

Contribution of Women's Inner Fashion Sales to Total Women's Wear Sales in Major Retail Outlets, 1987
(sales in thousands)

	Total Women's Wear Sales	% Of Sales Accounted For By Bras, Girdles, Corsets, etc.	 Lingerie, Sleepwear, & Loungewear
Department Stores	$ 29,981,555	5.5%	8.3%
Women's Clothing Stores	24,123,689	0.7	2.3
Family Clothing Stores	9,122,215	5.7	2.6

Source: U.S. Bureau of the Census,
1987 Census of Retail Trade: Merchandise Line Sales (RC87-S-3)

Department Stores

According to the 1987 Census, there were 10,041 department stores in operation in the U.S. in 1987, including conventional stores, national chains and discount or mass merchandisers meeting deparment store SIC definitions (see page 34 for definitions).

Of these 10,041 department stores, 9,674 reported carrying foundations, with sales totaling $1.7 billion, and 9,860 reported carrying lingerie, sleepwear & nightwear, with sales totaling $2.5 billion.

Department Stores (continued)

Of all department store types, conventional department stores accounted for the highest volume of sales for both foundations (44%) and lingerie, sleepwear and nightwear (50%).

Following is a summary of the sales share held by the different types of operations included in the department store classification. Percents are based on the stores reporting sales of specified merchandise classifications.

Share of Women's Innerwear/Nightwear Department Store Sales by Type of Operation

(sales in billions)

	All Dept. Stores				% By Type of Operation					
					Convent'l.		Nat'l Chain		Dicount/ Mass Merch.	
	Number	%	Sales	%	No.	Sales	No.	Sales	No.	Sales
Brassieres, girdles, etc.	9,674	100.0%	$1.7	100.0%	23.6%	44.0%	18.5%	27.4%	57.9%	28.6%
Lingerie, sleepwear, nightwear	9,860	100.0	$2.5	100.0	24.0	50.0	18.2	22.6	57.8	27.4

Source: U.S. Bureau of the Census,
1987 Census of Retail Trade: Merchandise Line Sales (RC87-S-3)

Sales of Innerwear/Foundations in Department Stores: 1987

(Sales in thousands)

	Number of Stores	Sales	Stores Selling Line	All Stores*
Department stores, total	10,041	$144,016,976	--	--
Innerwear/nightwear				
Conventional stores	2,366	1,247,509	2.8	2.7
Discount/mass mdsg.	5,700	683,474	1.1	1.1
National chain	1,794	563,709	1.6	1.6
Bras, girdles, etc.				
Conventional stores	2,284	731,042	1.7	1.6
Discount/mass mdsg.	5,597	476,249	0.8	0.8
National chain	1,793	563,709	1.6	1.6

* Stores in each of the three types of operation.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade

Merchandising & Operating Results: Department Stores

Annual merchandising and operating results in department stores are compiled by the National Retail Merchants Association based on reports from member companies. Total sales of women's and misses' innerwear increased 6.4% in 1988, and nightwear was up 12%. Total sales of intimate apparel accounted for 5% of department store sales in 1988.

Merchandising & Operating Results: Department Stores (continued)

Typical Women's Inner Fashion Merchandising Results For All Department Stores

(Median Results)

	Total Intimate Apparel	Intimate Daywear	Intimate Nightwear	Robes & Loungewear
Number of firms reporting	47	46	46	43
Net sales, % change from last year	+ 6.4%	+ 8.1%	+ 5.6%	+12.0%
Sales, % to total store sales	5.0	2.4	1.2	0.6
$ sales per square foot of selling space	$128.0	$128.0	$140.5	$109.0
Cumulative markon, %	53.7%	53.6%	53.7%	53.6%
Gross margin, % of sales (incl. cash discounts)	49.4	51.1	47.7	46.5
Advertising, % of net sales	2.4	2.1	2.1	2.9
Selling salaries, % of net sales	8.6	9.2	8.6	8.0
Number of stock turns (times)	2.6	2.2	3.5	3.7
Markdown, retail, % of sales	16.3	12.7	21.6	27.4

Source: National Retail Merchants Association,
Merchandising & Operating Results 1988 Edition

Specialty Stores

Sales of Innerwear/Foundations in Women's Clothing Stores: 1987

(Sales in thousands)

	Number of Stores	Sales	% of Total Sales of Stores Selling Line	% of Total Sales of All Stores
Women's clothing stores, total sales	52,304	$25,867,595	--	100.0%
Innerwear/nightwear	20,932	549,558	4.6%	2.1
Bras, girdles, etc.	10,878	181,135	2.9	0.7

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade

Note: Sales of innerwear and foundations in specialized outlets selling these lines are not available.

The National Retail Merchants Association reported that sales of women's and misses' innerwear registered median increases of 2.0% in specialty stores in 1988. Women's intimate daywear and nightwear increased by 2.8% and 1.8%, respectively. However, loungewear declined by 1.3%.

RETAIL SALES BY STORE TYPE: Merchandising & Operating Results

Specialty Stores (continued)

Typical Women's Inner Fashion Merchandising Results For All Specialty Stores
(Median Results)

	Total Intimate Apparel	Intimate Daywear	Nightwear	Robes & Loungewear
Number of firms reporting	15	11	10	12
Net sales, % change from last year	+ 2.0%	+ 2.8%	+ 1.8%	- 1.3%
Sales, % to total store sales	6.3	3.6	2.1	1.1
$ sales per sq. ft. of selling space	na	na	na	na
Cumulative markon, %	53.7%	54.4%	54.4%	53.0%
Gross margin, % of sales (incl. cash discounts)	48.3	51.4	47.1	44.6
Number of stock turns (times)	2.6	2.0	3.3	3.8
Markdown, retail, % of sales	15.9	12.6	21.8	23.8

na not available

Source: National Retail Merchants Association, Merchandising & Operating Results, 1989 Edition

Intimate Apparel Retailers

Victoria's Secret, the largest and best known intimate apparel retailer and mail order firm, is credited for boosting the image and consumer appetite for innerwear. Interesting in-store visuals (such as chaise longues, lacy items and potpourri) fashion merchandise, and a catalog that both educates the consumer and brings the message into the home have all contributed to the company's success. The firm's philosophy has been to approach lingerie as part of a fashion business, with ready-to-wear inspired looks, rather than focusing in on what is happening in underwear, as others have done. The success of Victoria's Secret stores has prompted department stores and other specialty retailers to imitate the operation's unique fashion and merchandising approach. Victoria's Secret currently has about 440 lingerie stores, and that number is expected to reach 513 by the end of 1991. 1990 sales are estimated at about $600 million, according to WWD.

Frederick's of Hollywood, another specialty retailer, reported sales of $80.1 million in 1989. This figure includes sales from their three lines of business--the Frederick's of Hollywood stores (accounting for 58.6% of total sales), the Private Moments chain, an upscale division (4.9% of total sales), and the catalog business (36.5% of total sales). Frederick's operated 151 stores in 1989, up from 141 in 1988.

Sales of Bras, Girdles, Corsets in Family Clothing Stores: 1987
(Sales in thousands)

	Number of Stores	Sales	% of Total Sales of Stores Selling Line	% of Total Sales of All Stores
Family clothing stores, total sales	16,443	$21,117,145	--	100.0%
Innerwear/Nightwear	8,415	519,274	4.0%	2.5
Bras, girdles, etc.	6,489	236,795	2.5	1.1

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade

RETAIL ADVERTISING

Newspaper advertising for lingerie is highest in May and December, and lowest in January and October, according to data compiled by the Advertising Checking Bureau. Advertising linage for sleepwear and loungewear is highest in May, November, and December, and lowest during January.

Percent of Total Newspaper Advertising Linage
Done By Month, 1988

	Total	Jan.	Feb.	Mar.	Apr.	May	June
Lingerie	100.0%	6.5	8.4	9.1	8.9	10.6	8.8
Sleepwear & Robes	100.0%	1.0	7.3	2.9	6.4	21.0	2.3

	July	Aug.	Sept.	Oct.	Nov.	Dec.
Lingerie	5.8	10.1	7.9	5.4	6.3	12.2
Sleepwear & Robes	5.7	1.7	4.9	6.2	17.4	23.2

Source: The Advertising Checking Bureau, 1988

RETAIL TRENDS

Catalog Sales

Department stores throughout the country are reporting increases in the amount of intimate apparel featured in their catalogs due to their effectiveness as a sales tool.

The visual element of a catalog strongly contributes to its popularity and success, especially in the intimate apparel area. Presentation is extremely important for intimate apparel items, particularly those made of stretch fabrications, since the customer may find these garments more attractive on a model, rather than on the hanger. Also, customers sometimes need to know how to wear items like camisoles, bustiers, and bodystockings, and may find that pictures in the catalog tell more than store displays.

The convenience element of a catalog is also a strong contributing factor to its success, especially for the growing numbers of career women who have limited time to shop.

Victoria's Secret, the largest intimate apparel catalog, generated an estimated $400 million in 1989, a 100% increase over 1988 figures. The catalog has the potential to be a $100 billion business by the mid 1990's, according to The Limited Inc., owner of Victoria's Secret. The catalog has the highest rate of profit of any Limited division, according to WWD.

Licensing

Many manufacturers are aggressively launching and promoting ready-to-wear inspired designer licensed lines in innerwear and nightwear, and have received a favorable response from both buyers, particularly from upscale department stores, and consumers. The fresh, updated looks of designer licensed products--with innovative designs, prints, and vibrant colors--are a welcome change from generic looking private label products.

Licensing (continued)

One of the current leaders in licensing is Warnaco, whose list of designers include Valentino Intimo, Bob Mackie, Ungaro, Blanche, and Scaasi. The Designer Intimates division at Warnaco is projected to generate $30 million in sales in 1991. Boutique Industries, who have acquired the licenses for Adrienne Vittadini, Mary McFadden, and Ralph Lauren sleepwear, project a 20% increase for designer lines in 1991.

CONSUMER PURCHASE PATTERNS

By Product: Forecast - 1991 Sales

Kurt Salmon Associates, a management consulting group, predicts that from 1990 to 1991, sales of women's bras will improve 6%, women's daywear will fall 2%, and women's sleepwear will remain flat. Sales of all women's wear are projected to decline 1% in 1991.

By Product

Based on purchase tracking studies projected to the total market, the following information on purchases of innerwear and nightwear for women aged 14 years and older for the years 1990 and 1989 has been supplied by the KSA/NPD Purchase Panel, a joint venture of Kurt Salmon Associates and the NPD Group. The panel consists of 11,500 households reporting monthly on their purchases of apparel.

All of the categories noted below experienced increases in both units and dollars when comparing 1989 to 1990, except for daywear, which declined 9.5% in units and 0.2% in dollars, and robes/loungewear, which declined 3.2% in units. The two best performing categories in 1990 were panties, up 10.2% in dollars to $1,189.1 million and up 6.2% in units, and girdles, improving 7.6% in dollars and 7.1% in units. The bra category also did well, improving 9.0% in dollars, but, in units, the category only improved 2.8%.

Purchases of Women's Innerwear and Nightwear/Robes/Loungewear

	Units (Mil.)			Dollars (Mil.)		
	1990	1989	% Change 1990/89	1990	1989	% Change 1990/89
Total Innerwear/ Foundations	885.7	852.5	3.9	$3,873.0	$3,602.0	7.5%
Daywear*	73.6	81.4	- 9.5	670.2	671.6	- 0.2
Panties	576.4	542.8	6.2	1,189.1	1,079.1	10.2
Girdles**	27.0	25.2	7.1	256.4	238.4	7.6
Bras	208.7	203.1	2.8	1,757.3	1,612.9	9.0
Total Nightwear/ Robes/Loungewear	188.0	187.4	0.3	2,579.3	2,502.7	3.1
Nightwear***	146.2	144.2	1.4	1,764.8	1,716.1	2.8
Robes/loungewear	41.8	43.2	- 3.2	814.5	786.6	3.5

* Including slips, undershirts, camisoles & teddies

** Including girdles and all other support garments

*** Including pajamas, nightgowns, and negligees

Source: Kurt Salmon Associates/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

By Product: Daywear/Foundations

Innerwear and foundations were top gaining categories in 1990, as ready-to-wear influences sparked excitement and boosted sales. Although traditional items continue to make up the bulk of volume in many intimate apparel departments, the fashion items are driving the business, according to trade sources.

Prints and coordinates are growing in daywear/foundations, as the newness attracts women to intimate apparel departments. Print bras are helping to sell the matching panties, camisoles, and tap pants.

The infusion of cotton/Lycra and nylon/Lycra blends in bras and panties are pushing sales, due to the better fit and comfort that these fabrics provide. Cotton still continues to gain popularity, especially in panties, and many industry observers credit Jockey for this trend. Stretch lace, a hot fashion look, is also a strong seller in panties and bras.

Vendors and innerwear retailers report that bodyshaping foundations made of nylon and Lycra spandex are one of the hottest items in innerwear departments, according to WWD. The most popular of the bodyshaping garments is the all-in-one control slip with a built in panty, which is a lighter, more fashionable version of the traditional spandex girdle. Other bodyshaping styles include full-length control slips with built in bras, camisoles, control legwear and biker-short looks.

The bra category has received a lot of attention due to the fashion element, and many department stores feature bras that can be worn as innerwear or outerwear. Women are purchasing a variety of bra types to complement their fashion wardrobes. Sports bras, full figure bras, and fashion bras, with exciting prints and colors, are big sellers along with novelty bras such as backless and strapless. Lacy Victoria's Secret knockoffs, and underwire bras are also very popular, according to several department stores.

Daywear items like camisoles and bustiers, with ready-to-wear prints, colors and fabrications, are hot sellers. Although these items are designed as innerwear, many women are wearing them as outerwear. There is a growing trend towards mixing innerwear with sportswear items, and department stores are beginning to display these items together in ready-to-wear or innerwear departments. Leggings are being matched with items like sheer skirts, and bustiers are being displayed under suit jackets or chiffon blouses.

Innerwear vendors noted that with growing ready-to-wear influences, retailers have increased funding for daywear and foundations, and are taking a more aggressive approach to merchandising these products. In some stores, ready-to-wear influences have changed the status of intimate apparel departments, as some innerwear buyers are now reporting to upper-level ready-to-wear management and are attending seasonal meetings focusing on ready-to-wear trends.

By Product: Loungewear/Robes/Nightwear

The loungewear/robes/nightwear category experienced only modest gains in 1990, and many retailers continue to complain that these categories lack newness in styling, fabric, and color.

CONSUMER PURCHASE PATTERNS

Loungewear/Robes/Nightwear (continued)

Fashion-forward items did move ahead at some stores, however. Merchandise that has been well received includes robes in jewel tones or that have dressmaker details, loungewear in ready-to-wear inspired fabrics, and coordinating robes and wraps with innovative prints. Traditional assortments of sleepwear are being decreased in many department stores due to flat sales, and open-to-buy dollars are being funneled into updated looks.

Sales of better and designer sleepwear and loungewear have been explosive, according to some retailers, due to the quality of the products as well as the infusion of fashion and change. Many department stores are allocating more display space to these designer lines.

By Store Type

There were no major shifts in store types for intimate apparel purchases between 1989 and 1990. Discount stores remain the leading outlet for unit purchases of women's innerwear and nightwear, according to NPD data.

Purchases of Women's Innerwear and Nightwear By Outlet
Percent of Units, 1989, 1990

	Panties		Bras		Daywear	
	1990	1989	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	13.6	15.7	20.6	21.3	22.1	23.3
Mass Merchandisers*	15.1	15.4	21.2	24.7	17.5	19.5
Discount Stores**	49.5	48.3	38.2	37.3	24.0	27.4
Specialty Stores	6.1	5.6	7.1	6.8	10.6	12.1
All Other Outlets	15.7	15.0	12.9	9.9	25.8	17.7

	Girdles		Nightwear		Robes & Loungewear	
	1990	1989	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Department Stores	22.3	20.7	19.5	18.5	19.8	20.6
Mass Merchandisers*	22.1	24.8	15.9	19.4	20.9	23.5
Discount Stores**	28.8	29.2	37.6	37.4	33.2	32.2
Specialty Stores	11.6	13.0	9.3	9.5	8.8	8.3
All Other Outlets	15.2	12.3	17.7	15.2	17.3	15.4

* Includes Sears/Penney/Ward
** Includes K-Mart

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

By Month of Purchase

Purchases of Women's Innerwear and Nightwear By Month of Purchase
Percent of Units, 1989, 1990

	Panties		Bras		Daywear	
	1990	1989	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
January	7.6	8.7	8.6	9.0	8.8	8.9
February	6.6	5.4	6.0	6.4	5.5	6.3
March	8.0	6.9	8.9	8.3	8.3	7.0
April	8.4	6.9	8.3	7.9	8.6	8.7
May	8.2	8.0	8.1	9.3	10.3	10.7
June	8.3	8.1	9.4	7.8	9.0	8.2
July	11.1	10.8	9.5	10.0	7.2	9.3
August	10.3	12.5	11.4	10.2	7.6	6.2
September	7.6	7.9	8.0	8.2	7.7	7.4
October	6.9	7.4	7.2	7.8	7.8	7.3
November	7.8	7.7	7.2	8.6	7.5	9.3
December	9.2	9.6	7.5	6.4	11.6	10.8

	Girdles		Nightwear		Robes & Loungewear	
	1990	1989	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
January	9.4	10.8	6.7	7.3	8.4	8.7
February	5.6	8.2	6.9	5.4	6.3	6.2
March	8.1	8.3	6.5	5.3	6.5	5.4
April	8.2	7.6	5.5	7.8	6.2	6.1
May	11.1	7.4	8.9	7.7	8.3	9.2
June	10.7	8.8	8.0	6.1	5.9	5.7
July	8.0	8.5	8.1	7.6	6.5	6.9
August	8.9	9.1	6.3	5.5	6.2	6.1
September	10.4	8.3	5.1	6.0	5.8	4.3
October	5.5	10.7	7.4	9.8	6.7	7.7
November	8.1	5.7	12.3	14.2	13.4	13.3
December	6.1	6.6	18.3	17.4	19.9	20.4

Source: KSA/NPD Purchase Panel

By Price Paid

In 1990, more units of panties, bras, robes and loungewear were purchased at higher price points. The increased purchase of innerwear garments in Lycra or spandex blends, which are more expensive, contributes to this upward shift in prices. Retailers also report a trend towards the purchase of more expensive bras with novelty looks, more lace, and better construction.

CONSUMER PURCHASE PATTERNS

By Price Paid (continued)

Purchases of Women's Panties By Price Paid
Percent of Units, 1989, 1990

	Year	Total	Less Than $1.00	$1.00-$1.99	$2.00-$2.99	$3.00-$3.99	$4.00 $4.99	$5.00-$5.99	$6.00-$6.99	$7.00 And Over
Panties	1990	100%	13.6	52.3	18.4	7.7	3.6	1.5	0.9	2.0
	1989	100%	14.6	52.5	18.1	7.5	3.6	1.3	1.0	1.4

Purchases of Women's Bras and Girdles By Price Paid

	Year	Total	Less Than $2.00	$2.00-$3.99	$4.00-$5.99	$6.00-$7.99	$8.00-$9.99	$10.00-$11.99	$12.00-$13.99	$14.00 And Over
Bras	1990	100%	4.1	17.1	18.9	13.8	12.6	11.2	9.7	12.6
	1989	100%	5.8	18.4	16.8	15.7	12.9	11.3	8.4	10.7
Girdles	1990	100%	4.0	20.9	19.3	12.6	8.2	8.5	6.5	20.0
	1989	100%	4.8	22.1	17.8	9.4	10.5	4.5	8.7	22.2

Purchases of Women's Nightwear and Daywear By Price Paid

	Year	Total	Less Than $2.00	$2.00-$3.99	$4.00-$5.99	$6.00-$7.99	$8.00-$9.99	$10.00-$11.99	$12.00-$13.99	$14.00 And Over
Nightwear	1990	100%	1.1	6.9	12.2	14.6	16.9	9.5	9.6	29.2
	1989	100%	1.1	5.9	13.3	15.9	17.8	10.0	8.5	27.5
Daywear	1990	100%	4.1	12.6	16.5	18.6	15.5	10.1	7.4	15.2
	1989	100%	4.8	15.2	20.3	18.2	14.5	10.0	4.8	12.2

Purchases of Women's Robes and Loungewear By Price Paid

	Year	Total	Less Than $10.00	$10.00-$19.99	$20.00-$29.99	$30.00-$39.99	$40.00-$49.99	$50.00-$59.99	$60.00 And Over
Robes & Loungewear	1990	100%	24.2	39.5	19.6	9.3	3.9	1.4	2.1
	1989	100%	23.5	44.4	20.1	7.9	2.3	0.8	1.0

Source: KSA/NPD Purchase Panel

By Fabric Type

Panties that were predominately made of cotton were most popular among consumers in 1990, accounting for 60.7% of all purchases, up from 57.4% in 1989. In 1990, nylon dominant materials represented the highest percent of purchases of bras (56.1%), girdles (87.4%), and daywear (69.6%) .

CONSUMER PURCHASE PATTERNS

By Fabric Type (continued)

Purchases of Women's Panties By Fabric/Fiber Content

	Percent of Units	
	1990	1989
Total	100.0%	100.0%
Polyester dominant	3.8	3.0
Cotton dominant	60.7	57.4
Nylon dominant	31.6	34.5
Rayon dominant	1.8	2.2
Acetate dominant	1.8	2.4
All other fibers	0.3	0.5

Purchases of Women's Bras, Girdles By Fiber Content

	Bras		Girdles	
	Percent of Units		Percent of Units	
	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%
Nylon dominant	56.1	56.3	87.4	88.0
Polyester dominant	31.4	32.0	3.6	4.6
Cotton dominant	10.7	10.0	2.8	2.0
All other fibers	1.8	1.7	6.2	5.4

Source: KSA/NPD Purchase Panel

Purchases of Women's Loungewear & Nightwear By Fabric/Fiber Content

	Loungewear		Nightwear	
	Percent of Units		Percent of Units	
	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%
Polyester dominant	52.5	53.2	38.3	37.7
100% Polyester	21.8	20.6	16.2	13.9
65% Poly/35% Cotton	4.7	7.1	6.8	7.2
50% Poly/50% Cotton	15.7	14.5	9.7	10.5
Other Poly blends	10.3	11.0	5.6	6.1
Cotton dominant	28.6	25.4	40.6	34.4
Acetate dominant	11.2	12.5	4.1	4.8
Nylon dominant	3.4	5.0	15.0	20.7
All other fibers	4.3	3.9	2.0	2.4

Purchases of Women's Daywear By Fabric/Fiber Content

	Percent of Units	
	1990	1989
Total	100.0%	100.0%
Nylon dominant	69.6	70.7
Polyester dominant	17.0	12.1
Cotton dominant	10.7	14.4
Silk	1.5	1.4
All other fibers	1.2	1.4

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

Seventeen magazine conducted a survey of their readers representing a cross section of the female market age 13 to 21, in April 1989. 715 returns were processed, representing a completion rate of 35.8%.

Teenage Purchases of Lingerie & Foundations In the Last 12 Months

	Percent Purchasing	Average Frequency of Purchase	Average Time Last Purch.	Average # Purchased	Average Price Paid
Panties	98.4%	every 3 mths.	3.2 mths. ago	10.9	$4.13
Bras	96.9	5-6	4.2 mths. ago	3.7	$9.40
Hosiery	93.8	2	2.6 mths. ago	na	na
Slips	42.5	na	na	na	na
Camisoles	24.5	na	na	1.5	na
Teddies	20.4	na	na	1.7	na
Tap Pants	7.8	na	na	1.3	na
	*				

*Total exceeds 100% due to multiple responses.
na not available

Seventeen Readers' Intimate Apparel Purchases By Store Type

(Base: Purchased Specific Type in Last 12 Months)

	Bras	Camisoles	Teddies	Panties	Slips	Tap Pants
Sears/Wards/Penney's	47.4%	22.2%	23.9%	40.2%	36.8%	30.3%
Other Department Stores (i.e., Macy's)	49.7	41.9	23.5	47.5	40.5	25.2
K mart	10.6	6.0	4.4	14.0	9.7	3.7
Other Discount/ Variety Stores	18.8	8.8	9.1	24.1	12.5	7.1
Lingerie Stores	14.8	24.9	44.8	14.3	11.7	42.2
Small Clothing Store/ Boutique	10.8	6.3	22.1	15.3	7.2	8.6
Catalog	7.6	6.3	9.5	3.8	3.1	10.3
Other	2.6	1.2	0.6	3.4	0.6	--
	*	*	*	*	*	*

*Totals exceed 100% due to multiple responses.

Source: Seventeen Magazine
Intimate Apparel Survey, 1989

Bridal Market

Based on 1,374 responses to a survey of their readers conducted in August 1990 by Bride's magazine, 87% said they would wear a garter with their wedding dress and 76% said they would wear special lingerie (multiple responses are included).

Bridal Market (continued)

Trousseau Purchases
By Bride's Magazine Readers

Sleepwear/Negligees	88%
Panties	74
Sportswear/Separates	71
Swimwear	69
Bras	69
Teddies/Camisoles	67
Shoes	57
Dresses/Suits	56
Panty hose	56
Evening wear	42
Accessories (belts, scarves, etc.)	36
Sneakers/Athletic Footwear	36
Sunglasses	36
Robes, Loungewear	34
Jewelry	33
Handbag	33
Slips	31
Jeans	29
Tennis or Other Sports Apparel	9
Coat/Raincoat	4
Total	*

* Total exceeds 100% because of multiple mentions

Amount Spent for Trousseau Purchases
By Bride's Magazine Readers

Amount Spent	Percent
Less than $100	3%
$100 - $199	12
$200 - $299	21
$300 - $399	17
$400 - $499	6
$500 - $999	26
$1,000 or more	15
	100%
Median Amount Spent	$345
Average Amount Spent	$551

FACT FILE SPECIAL EDITIONS

Statistical Analysis of Retailing: A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

Merchandise Sales By Retail Outlet: Based on U.S. Census Bureau data issued in 1990, this special study covers sales in a wide range of product lines using retail outlets, including apparel, footwear, sporting goods, home furnishings, food and drugs. Sales are detailed, and trends analyzed on market shares held by major outlet types, using Census of Retail Trade data, which is published only once every five years. A must for marketing and merchandising people.

The Impact of a Maturing Market: Covers the implications for marketers of the changing life style of an aging population, focusing on market segments within the mature market. The Baby Boomers now mostly in their 30s and 40s are an important aspect of this market. Many are confronting new developments affecting their careers and income prospects as the country enters a recession. The older population is setting a new course in life styles, with improvement in income, health and longevity. Available data on current developments and outlook for segments within the 30-plus U.S. population are covered.

SCHEDULE OF ADDITIONAL FACT FILES

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An annual overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Dresses and Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's, and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls'): An annual statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections, and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Market Research Division
Fairchild Fashion & Merchandising Group
New York

The Impact of A Maturing Market

FAIRCHILD FACT FILE

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THE IMPACT OF A MATURING MARKET
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POPULATION GROWTH TRENDS

In the years 1946-64, the number of births in the U.S. boomed to a peak which will not be equalled in the foreseeable future. Along with net number of immigrants of the same age, the survivors--now age 27 to 45 years--number 77.8 million, or almost 31% of the nation's total population. These people are the main focus of this FACT FILE which covers a statistical view of demographics and buying power, with some comparisons with contemporary younger age levels and with older groups whose current lifestyles their followers may (but probably will not) emulate in coming years.

Population projections for the 1990s are dominated both by the effects of the baby-boom years, when births averaged more than 4 million a year and by the follow-up birth-dearth period between 1972 and 1978 when births averaged only 3.2 million annually. Labor force growth will slow in the 1990s with the decline in the young adult population, and there will be fewer children when the number of women of childbearing years drops.

As for baby boomers, it is clear when looking at the age-group components that they represent a far from homogeneous market at the present time--though as they all pass into middle age and beyond the differences will be less marked. But this is in the future--a large share of boomers are now in their late twenties, early thirties. The boomers encompass youthful adults with preferences and lifestyles still undergoing development and change--though not as rapidly as in their earlier years--and more settled, mature consumers, now at or nearing their peak earnings.

ESTIMATED NUMBER OF BABY BOOMERS: 1991
(Number in thousands)

Age Groups	Number	Percent
27-45, total	77,773	100.0%
27-29	12,991	16.7
30-34	22,642	29.1
35-39	20,707	26.6
40-45	21,433	27.6

Source: U.S. Bureau of the Census:
Current Population Reports (Series P-25, No. 1018)

Marketers have been challenged by boomers as they moved along the age cycle from babyhood to childhood to teens since the mid-1940s. But now the sights are on adults who control buying decisions and buying power, but who represent a diversified group with needs and wants changing at a fast pace, with lifestyles that differ from mid-stream America of the past, and with unprecedented racial diversity.

From a market dominated by youth, the reality of the 1990s and beyond will be an aging population, with the 46 to 54 group registering the fastest growth, as the leading edge of the baby boomers enters this stage. In the 1980s young adults age 25 to 34, in their prime years for establishing new households and buying homes, increased by about 8 million and were an important factor in our economic expansion. In the 1980s, however, their number will decline by over 6 million, and following behind is a dwindling population of 18 to 24 year olds.

POPULATION GROWTH TRENDS

THE U.S. POPULATION AGE 18-64 YEARS: 1980, 1991, 2000

(Numbers in thousands)

				Gain or Loss			
Age Groups (Yrs)	2000*	1991*	1980	1991-2000		1980-1991	
18-24	25,231	25,700	30,350	(469)	(-1.8%)	(4,650)	(-15.3%)
25-34	37,149	43,552	37,626	(6,403)	(-14.7)	5,926	+15.7
35-44	43,911	39,361	25,868	4,550	+11.6	13,493	+52.2
45-54	37,223	26,045	22,754	11,178	+42.9	3,291	+14.5
55-64	24,158	21,254	21,761	2,904	+13.7	(507)	(-2.3)

* Middle series population projections. See footnote on next table.

Source: U.S. Bureau of the Census: Current Population Reports (Series P-25, No. 1045, 1018)

Changes in the age makeup of the adult population in two nine-year periods: 1982-1991, 1991-2000, based on Census Bureau counts and projections, are summarized in the following table.

POPULATION GROWTH BY AGE GROUP: 1982-2000

				% Change	
	1982	1991*	2000*	1991/82	2000/91
Total population (thous.)	232,520	252,502	268,266	8.6%	6.2%
Percent by age groups:	100.0%	100.0%	100.0%	--	--
Under 25 years	40.1	35.8	34.0	- 3.2	- 0.8
25 & older	59.9	64.2	66.0	18.2	9.3
25 and 26 years	3.7	3.1	2.5	- 8.0	-14.9
27 to 45 years	26.4	30.8**	29.2	26.5	0.9
27 to 29 years	5.3	5.1	4.1	6.0	-15.3
30 to 34 years	8.1	9.0	7.2	19.9	-14.3
35 to 39 years	6.7	8.2	8.1	32.3	5.4
40 to 45 years	6.3	8.5	9.8	45.8	22.4
46 years and over	29.8	30.3	34.3	10.6	20.3
46 to 54 years	8.7	9.2	12.3	14.8	42.2
55 to 64 years	9.5	8.4	9.0	- 3.9	13.7
65 to 74 years	7.0	7.3	6.8	14.5	- 1.6
75 and over	4.6	5.3	6.2	27.0	23.3
Median age of total population (years)	30.5	33.3	36.4		
Male	29.4	32.2	35.2		
Female	31.8	34.5	37.6		

* Based on the middle series of population projections, each based on different assumptions regarding the future fertility, mortality and net immigration levels. The population projections include the Armed Forces overseas.

**The baby-boom generation, as of 1991 (persons born from 1946-1964).

Note: Components of group totals in the population series, and other tables, may not add exactly to reported totals due to rounding.

Source: Based on U.S. Bureau of the Census reports (Series P-25, No. 1045, 1018)

POPULATION GROWTH TRENDS

Projections for 1991 place the share of population accounted for by people age 25 to 45 years at 55.4% of all males, and 50.5% of all females. The relatively higher concentration of females in older age groups results in the overall median age for females at 34.5 years compared with 32.2 years for males.

While the median age for men and women in the black population is increasing, it is considerably below projections for the white population. A recent Department of Health report showed life expectancy for blacks estimated at 69.7 years vs. 75.9 years for whites.

PROJECTED MEDIAN AGES OF THE U.S. POPULATION BY RACE AND SEX: 1991, 2000
(In years)

	1991*	2000*
Whites		
Male	33.1	36.4
Female	35.4	38.7
Blacks		
Male	27.0	29.1
Female	29.8	32.4

* See footnote in above table.

Source: U.S. Bureau of the Census: Current Population Reports (Series P-25, No. 1018)

POPULATION: AGE, SEX, RACE

In the white population age 25 through 45 years, men outnumber women, but the reverse is true for blacks. Population projections for whites by the Census Bureau count 36.3 million men compared with 35.7 million women in 1991. Men outnumber women at every age up to 42 years. Among blacks, however, women outnumber men in each age segment; with the 1991 counts for ages 25 through 45 totaling 5.5 million vs. 4.9 million.

POPULATION AGE 25 THROUGH 45 YEARS BY SEX AND RACE BY SINGLE YEARS OF AGE: 1991
(Numbers in thousands)

	Men			Women		
	Total*	White*	Black*	Total*	White*	Black*
Age 25 to 45	42,783	36,324	4,896	42,908	35,734	5,536
25 years	1,942	1,602	264	1,923	1,564	284
26 years	2,035	1,690	269	2,019	1,650	292
Age 27 to 45, total	38,806	33,032	4,363	38,966	32,520	4,960
Age 27 to 29	6,533	5,462	829	6,457	5,314	900
27 years	2,145	1,787	278	2,122	1,741	300
28 years	2,094	1,752	264	2,075	1,709	288
29 years	2,294	1,923	287	2,260	1,864	312

(continued)

POPULATION: AGE, SEX, RACE

POPULATION AGE 25 THROUGH 45 YEARS BY SEX AND RACE
BY SINGLE YEARS OF AGE: 1991

(Numbers in thousands)
(continued)

	Men			Women		
	Total*	White*	Black*	Total*	White*	Black*
Age 30 to 34	11,381	9,599	1,357	11,261	9,325	1,505
30 years	2,327	1,953	286	2,297	1,894	314
31 years	2,238	1,885	267	2,219	1,834	298
32 years	2,264	1,906	271	2,245	1,857	302
33 years	2,241	1,896	260	2,224	1,848	289
34 years	2,310	1,958	273	2,276	1,891	303
Age 35 to 39	10,329	8,819	1,135	10,379	8,670	1,313
35 years	2,186	1,853	256	2,175	1,806	283
36 years	2,116	1,803	236	2,119	1,764	273
37 years	2,068	1,761	231	2,089	1,741	268
38 years	1,963	1,690	201	1,986	1,673	237
39 years	1,995	1,711	211	2,010	1,686	247
Age 40 to 45	10,563	9,152	1,042	10,869	9,211	1,242
40 years	1,935	1,654	209	1,975	1,648	247
41 years	1,789	1,540	183	1,827	1,537	216
42 years	1,785	1,544	179	1,832	1,548	212
43 years	1,777	1,549	169	1,837	1,566	201
44 years	1,918	1,692	168	1,978	1,710	201
45 years	1,358	1,173	134	1,420	1,201	163

* Middle series of U.S. Census Bureau projections, including Armed Forces overseas. The total includes other races not separately listed.

Source: U.S. Bureau of the Census: Population Estimates and Projections (Series P-25, No. 1045, 1018)

Minorities

Minorities represent a growing share of the U.S. population, particularly at younger age levels. In 1991, they accounted for 16% of the population age 25 to 44 years compared with 12% of those over 44. By year 2000 they are expected to account for 18% or more of the 25 to 44 age group.

Of the population age 25 to 34, minorities now account for 16.2% of the males (blacks 12.4%, other non-white races 3.8%); of females, minorities are 17.6% (blacks 13.8%, other non-white races 3.8%). At ages 35 to 44, among males blacks account for 10.5%, other non-whites, 3.6%; among females of this age, blacks account for 12.1%, other non-whites 3.8%, according to Census Bureau estimates.

As noted in the following table, of the population age 25 and over, 86.4% of males and 85.4% of females are white. Projections for year 2000 indicate a fall in the whites' shares to 81.5% of the males, 83.8% of the females.

POPULATION: AGE, SEX, RACE

Minorities (continued)

DISTRIBUTION OF THE POPULATION AGE 25 AND OVER BY SEX AND RACE: 1991
(Numbers in thousands)

	MALE			FEMALE		
ALL RACES	Number	Percent	Percent	Number	Percent	Percent
Total, age 25 and over	77,233*	100.0%		85,024*	100.0%	
Age 25 to 45	42,783	55.4	100.0%	42,908	50.5	100.0%
25 to 26	3,977	5.1	9.3	3,942	4.6	9.2
27 to 29	6,533	8.5	15.3	6,457	7.6	15.1
30 to 34	11,381	14.7	26.6	11,261	13.2	26.2
35 to 39	10,329	13.4	24.1	10,379	12.2	24.2
40 to 45	10,563	13.7	24.7	10,869	12.8	25.3
Age 46 and over	34,450	44.6		42,116	49.5	
46 to 54	11,325	14.7		11,943	14.0	
55 to 64	10,069	13.0		11,185	13.1	
65 to 74	8,255	10.7		10,292	12.1	
75 and over	4,801	6.2		8,697	10.2	
WHITE						
Age 25 and over	66,715	86.4		72,607	85.4	
25 to 34	18,353	23.8		17,852	21.0	
35 to 45	17,971	23.3		17,881	21.0	
46 and over	30,391	39.3		36,874	43.4	
BLACK						
Age 25 and over	8,046	10.4		9,664	11.4	
25 to 34	2,718	3.5		2,981	3.5	
35 to 45	2,176	2.8		2,555	3.0	
46 and over	3,152	4.1		4,128	4.9	

* Includes races not separately listed (Asians, Pacific Islanders, American Indians, and other races), from the middle series of three population projections compiled by the Census Bureau and published in 1989. (Includes Armed Forces overseas).

Source: U.S. Bureau of the Census: Population Estimates and Projections (Series P-25, No. 1018)

Hispanic Population

The population of Hispanic origin (which may be of any race) is growing rapidly. From mid-1980 to mid-1989, this group increased at a 3.6% annual rate--nearly four times the growth rate in the total U.S. population. The Hispanic population consists of a high proportion of young adults, and children, and increases have helped offset the effects of the overall birth decline of the late 1960s and early 1970s. Hispanics will comprise a growing share of the U.S. young-adult market.

POPULATION: AGE, SEX, RACE

Hispanic Population (continued)

In 1989, of the total Hispanic population (20,528 thousand), 34.5% were age 25 to 45, (compared with the overall 33.5% of this age in the U.S. total); 9.4% were age 20 to 24 (vs. 7.6%); 8.6% were age 15 to 19 (vs. 7.2%), 24.9% were under 15 (vs. 21.7%). Of the male Hispanic population, 41% were age 25 to 45 years in 1989, compared with 34.3% of the U.S. total male population.

THE U.S. POPULATION OF HISPANIC ORIGIN BY SEX AND BY AGE GROUP: 1989
(Numbers in thousands)

	MALE		FEMALE	
	Number	%	Number	%
Hispanic origin, total	10,338	100.0%	10,190	100.0%
Age groups:				
Under 15	3,107	30.0	2,988	29.3
15 to 19 years	907	8.8	868	8.5
20 to 24 years	1,003	9.7	929	9.1
25 to 45 years	4,237	41.0	3,424	33.6
46 and over	1,084	10.5	1,981	19.5
Median age (years)	27.4		29.0	

Source: U.S. Bureau of the Census: Population Estimates and Projections
(Series P-25, No. 1057)

The Hispanic population, which as noted may be of any race, and the black population register greater concentration at younger age levels than the whites, though fewer in number. The following table shows the distribution by age groups within the 20-and-over class by race and Hispanic origin.

DISTRIBUTION OF THE ADULT POPULATION AGE 20 AND OVER BY RACE
AND BY AGE GROUP: 1989
(Numbers in thousands)

		Age Groups (years)				
	Total	20 to 24	25 to 34	35 to 44	45 to 64	65 & over
Total age 20 & over	177,000	18,886	44,048	36,584	46,498	30,984
Percent of total	100.0%	10.7%	24.9%	20.7%	26.2%	17.5%
Race:						
White	151,708	15,490	36,814	31,235	40,347	27,822
Percent by age	100.0%	10.2%	24.3%	20.6%	26.6%	18.3%
Black	19,652	2,695	5,628	4,004	4,770	2,555
Percent by age	100.0%	13.7%	28.6%	20.4%	24.3%	13.0%
Other races	5,642	701	1,607	1,346	1,382	607
Percent by age	100.0%	12.4%	28.5%	23.8%	24.5%	10.8%
Hispanic origin	12,659	1,932	4,157	2,725	2,772	1,073
Percent by age	100.0%	15.3%	32.8%	21.5%	21.9%	8.5%

Source: U.S. Bureau of the Census: Population Estimates and Projections
(Series P-25, 1057)

POPULATION: REGIONAL DISTRIBUTION

The population defined as the baby boomers is quite concentrated in the Southern states, composed of the South Atlantic, East South Central, and West South Central geographic divisions. In 1989 over one-third of people age 25 to 44 years lived in the South. The next biggest concentration (24%) lived in the Midwest (East North Central and West North Central divisions). The West (Mountain and Pacific divisions) accounted for 21.7% of the age 25 to 44 population; the Northeast (New England and Middle Atlantic), 20.7%.

REGIONAL DISTRIBUTION OF THE POPULATION AGE 25 TO 44 YEARS BY SEX: 1989
(Numbers in thousands)

	Total		Age Groups			
	Number	Percent	25 to 29	30 to 34	35 to 39	40 to 44
TOTAL, 25 to 44	79,111	100.0%	21,477	21,761	19,369	16,504
Regions						
Northeast	16,364	20.7	4,401	4,596	4,037	3,330
Midwest	18,999	24.0	5,134	5,220	4,799	3,846
South	26,574	33.6	7,349	7,265	6,310	5,650
West	17,174	21.7	4,593	4,680	4,223	3,678
MALES, 25 to 44	39,142	100.0	10,650	10,811	9,595	8,086
Northeast	7,980	20.4	2,146	2,236	1,999	1,599
Midwest	9,490	24.2	2,612	2,555	2,419	1,904
South	13,107	33.5	3,634	3,616	3,122	2,735
West	8,565	21.9	2,258	2,404	2,054	1,849
FEMALES, 25 to 44	39,970	100.0	10,827	10,950	9,775	8,418
Northeast	8,385	21.0	2,255	2,360	2,038	1,942
Midwest	9,509	23.8	2,522	2,665	2,380	1,942
South	13,467	33.7	3,715	3,649	3,188	2,915
West	8,608	21.5	2,335	2,276	2,169	1,828

Source: U.S. Bureau of the Census: Population Characteristics
(Series P-20, No. 445)

The regional distribution of the population of the U.S. shows the dominance of the South among young adults as well as those over 45. This region is expected to continue to embrace over a third of all adults in years to come.

REGIONAL DISTRIBUTION OF THE POPULATION AGE 20 YEARS & OVER: 1989
(Numbers in thousands)

	Total		Age Groups				
	Number	Percent	20 to 24	25 to 34	35 to 44	45 to 64	65 and over
Total, age 20 & over	172,429		18,274	43,238	35,873	46,021	29,023
Percent		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Northeast	36,695	21.3	19.9	20.8	20.5	22.0	22.7
Midwest	41,716	24.2	24.6	23.9	24.1	24.3	24.3
South	58,999	34.2	35.2	33.8	33.3	34.7	34.5
West	35,019	20.3	20.3	21.5	22.0	19.0	18.5

(continued)

REGIONAL DISTRIBUTION OF THE POPULATION AGE 20 YEARS & OVER: 1989
(continued)

	Regional Patterns					
	Total	20 to 24	25 to 34	35 to 44	45 to 64	65 and over
Total, age 20 & over	100.0%	10.6%	25.1%	20.8%	26.7%	16.8%
Northeast	100.0	9.9	24.5	20.1	27.5	18.0
Midwest	100.0	10.8	24.8	20.7	26.8	16.9
South	100.0	10.9	24.8	20.3	27.1	16.9
West	100.0	10.6	26.5	22.6	25.0	15.3

Source: U.S. Bureau of the Census: Population Characteristics
(Series P-20, No. 445)

Regional population projections by the Census Bureau estimate that of residents age 18 to 24 in the year 2000, 36.9% would be living in the South (compared with 35.7% in 1990); of residents age 25 to 44 years, 35.8% would live in the South, up from 34.5% in the 1990s. In the same period the South's share of the 45 to 64 population will rise from 34.9% to 36.3%.

Other information contained in the Bureau's detailed projections of regional population growth include the following:

POPULATION DISTRIBUTION BY REGIONS BY AGE: 1990, 2000
(Numbers in thousands)

	Resident Population All Ages		Percent of Total By Age (years)					
1990:	Number	%	Under 5	5 to 17	18 to 24	25 to 44	45 to 64	65 +
U.S.	249,891	100.0%	7.4%	18.3%	10.4%	32.6%	18.8%	12.6%
Northeast	50,577	100.0	6.7	16.8	10.1	32.2	18.6	12.9
Midwest	59,777	100.0	7.5	18.6	10.2	32.1	18.6	12.9
South	87,276	100.0	7.3	18.6	10.6	32.2	18.7	12.5
West	52,261	100.0	7.9	18.7	10.4	34.3	17.7	11.1
2000:								
U.S.	267,747	100.0	6.3	18.2	9.3	30.2	22.9	13.0
Northeast	51,810	100.0	5.8	17.4	8.5	30.6	23.5	14.2
Midwest	59,596	100.0	6.4	18.7	9.3	29.6	22.7	13.3
South	96,919	100.0	6.3	18.1	9.5	29.9	23.0	13.2
West	59,422	100.0	6.7	18.6	9.8	30.9	22.5	11.5
Projected Change in Population: 1990-2000 (Figures in parentheses indicate a decrease)								
U.S.	17,857		1,510	3,185	(909)	(762)	14,531	3,323
Northeast	1,233		(384)	492	(702)	(446)	2,012	260
Midwest	(181)		(675)	54	(577)	(1,577)	2,415	178
South	9,643		(312)	1,357	(22)	819	5,938	1,863
West	7,162		(140)	1,283	391	442	4,165	1,021
2000: Percent of total								
U.S.	100.0%		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Northeast	19.4		17.8	18.5	17.7	19.6	19.8	21.1
Midwest	22.3		22.6	22.9	22.2	21.8	22.1	22.7
South	36.2		36.0	36.0	36.9	35.8	36.3	36.7
West	22.2		23.6	22.7	23.2	22.7	21.8	19.5

Source: U.S. Bureau of the Census: Projections of the Population of States
(Series P-25, No. 1017)

MARITAL STATUS AND LIVING ARRANGEMENTS

Baby boomers are frequently tagged as a single, homogeneous market, which is far from the case not only in the basic data on population distribution by age but in their varied, and fast-changing living arrangements. The generation embraces youthful and mature adults with very different lifestyles, family responsibilities, needs and tastes.

In the 1970s, a dominant tone was set by flower children; in the prosperous eighties, by the yuppies. But the U.S. population is moving along the age scale under less favorable economic conditions. The younger boomers now seem unlikely to follow the same patterns set in the past by the older segments of the baby boom. This is becoming apparent in the changing patterns in marital status and living arrangements which will have their repercussions in changing markets.

Delayed Marriage

Delayed first marriage was a notable development in the 1980s, and this is expected to continue in the 1990s (while the population of young adults will also be declining). Along with this pattern, there has been a growing tendency for young adults--males, particularly--to remain in, or return to, the homes of their parents. Add to this, moves by many young singles into established non-family households, and we have a decline in the rate of new household formations, as well as a numerical drop (not offset by divorces). This is a significant, unfavorable trend affecting demand for many types of consumer products, particularly homefurnishings.

The estimated median age at first marriage for men in 1989 reached 26.2 years--the oldest since the median 26.1 in 1890. In 1960, it was 22.8 years; in 1980, 24.7 years. The median age for women, 23.8 in 1989, was the highest ever recorded; compared with a median 20.3 years in 1960 and 22.0 years in 1980.

There has been a sharp increase in the proportion of young adults who have never married; and it is expected that a high percentage of never-marrieds age 30 or older will remain single, particularly women. Between 1970 and 1989, the proportion never married at ages 25 to 29 tripled for women and more than doubled for men. For those in the 30 to 34 age group, the never-married proportion tripled for both men and women. Married couples represented 56% of all U.S. households in 1990--down from 61% in 1980, 70.5% in 1970.

PERCENT OF THE POPULATION AGE 25 TO 44 YEARS WHO HAVE NEVER MARRIED:
1970, 1980, 1989

	MEN			WOMEN		
AGE	1989	1980	1970	1989	1980	1970
25 to 29	45.9%	33.1%	19.1%	29.4%	20.9%	10.5%
25 years	58.9	44.3	26.6	42.0	29.6	14.0
26 years	51.4	36.5	20.9	32.4	22.7	12.2
27 years	44.4	31.5	16.5	28.9	22.2	9.1
28 years	39.4	26.8	17.0	23.0	16.0	8.9
29 years	35.6	24.0	13.8	21.5	14.6	8.0
30 to 34	25.8	15.9	9.4	16.9	9.5	6.2
35 to 39	15.2	7.8	7.2	9.9	6.2	5.4
40 to 44	8.3	7.1	6.3	6.3	4.8	4.9

Source: U.S. Bureau of the Census: Marital Status and Living Arrangements March 1989 (Series P-20, No. 445, 443)

MARITAL STATUS AND LIVING ARRANGEMENTS

Divorce

Divorce rates, especially among the baby boomers, soared in the 1980s, and are an important factor in the changing living arrangements of young adults. Such splits did not usually result in two households, rather than one, as one or both partners returned home to parents, joined other relatives or nonrelatives. Where a household was maintained, it was smaller, with different needs, and usually reduced income. While the divorce rates have been stabilizing in recent years, they are still historically high.

DIVORCES AMONG MEN AND WOMEN AGE 20 TO 44 YEARS
(Rate per 1,000 married population in specified age group)

	Number	Rate			
	1987	1987	1985	1980	1970
MEN					
All ages	571,185	18.8	19.4	19.8	14.2
Selected age groups					
20 to 24	46,978	52.2	49.9	46.9	33.6
25 to 29	104,936	37.6	38.4	41.4	30.0
30 to 34	198,120	30.4	30.4	33.8	22.3
35 to 39	90,160	26.0	26.3	26.8	17.9
40 to 44	67,671	21.4	23.2	21.0	13.8
WOMEN					
All ages	571,185	18.6	19.2	19.5	14.0
Selected age groups					
20 to 24	77,782	46.0	46.8	47.2	33.3
25 to 29	117,012	33.9	35.6	37.8	25.7
30 to 34	104,844	27.2	28.6	29.2	18.9
35 to 39	83,404	23.1	23.4	23.2	14.8
40 to 44	57,159	18.7	19.6	16.7	11.9

Source: National Center for Health Statistics: Advance Report of Final Divorce Statistics, 1987 (issued May 15, 1990)

Men are more likely than women to remarry after divorce, or do so more quickly. As of March 1990, family groups with a male householder (or reference person) age 25 to 44 years, no wife present, numbered 1,502 thousand. Of these, 660 thousand (43.9%) were divorced. Comparable figures for women householders showed 6,757 thousand without spouses, of which 3,000 thousand (44.4%) were divorced. Those never married in each householder group included 569 thousand men (37.9%), and 1,854 thousand women (27.4%).

MARITAL STATUS AND LIVING ARRANGEMENTS

MARITAL STATUS OF MEN AND WOMEN AGE 25 TO 64 YEARS: MARCH 1989
(Number in thousands)

	Age Groups (years)					
	25 to 29	30 to 34	35 to 39	40 to 44	45 to 54	55 to 64
MEN						
Number	10,650	10,811	9,595	8,086	11,917	10,088
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Never married	45.9	25.8	15.2	8.3	6.7	5.6
Married, spouse present	46.8	62.5	70.5	76.2	77.8	80.5
Married, spouse absent	2.4	3.7	3.4	3.4	3.3	2.6
Divorced	4.9	7.8	10.5	11.7	10.8	8.0
Widowed	--	0.2	0.3	0.5	1.4	3.3
WOMEN						
Number	10,827	10,959	9,775	8,418	12,705	11,311
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Never married	29.4	16.9	9.9	6.3	5.4	4.4
Married, spouse present	57.6	66.8	70.9	70.6	70.7	65.3
Married, spouse absent	4.8	5.1	4.7	4.4	4.2	2.9
Divorced	7.9	10.6	13.1	15.8	14.1	9.4
Widowed	.3	.6	1.4	3.0	5.5	18.0

Source: U.S. Bureau of the Census: Population Characteristics
(Series P-20, No. 445)

Adults Living With Parents

In 1989, 11.2% of adults age 25 to 34 lived in homes of their parents, up from 8.7% in 1980, 8.0% in 1970. Among males, the proportion rose from 9.5% in 1970 to 14.6% in 1989; among females, from 6.6% in 1970 to 7.9% in 1989.

ADULTS AGE 25 TO 34 YEARS LIVING IN PARENTS' HOMES: 1970, 1980 1989

	MEN			WOMEN		
AGE	1989	1980	1970	1989	1980	1970
Population age 25 to 34						
Total (thousands)	21,461	18,107	11,929	21,777	18,689	12,637
Son/daughter of householder (thous.)	3,130	1,894	1,129	1,728	1,300	829
Percent of total	14.6%	10.5%	9.5%	7.9%	7.0%	6.6%

Source: U.S. Bureau of the Census: Marital and living Arrangements
(Series P-20, No. 445, 433)

Living Alone

Along with the developments previously covered--the postponement of marriage, the increase in divorce--there was a sharp increase in the number of adults living alone, particularly at ages 30 to 44, in the 1980s.

MARITAL STATUS AND LIVING ARRANGEMENTS

Living Alone (continued)

MEN AND WOMEN LIVING ALONE BY AGE GROUPS: 1980, 1989
(Numbers in thousands)

	MEN			WOMEN		
	1989	1980	% Change	1989	1980	% Change
Total age 15 & over living alone	9,193	6,793	35.3	13,515	11,022	22.6%
Selected age groups:						
20 to 24	643	815	-21.1	519	649	-20.0
25 to 44	4,362	2,848	53.2	2,705	1,759	53.8
25 to 29	1,240	1,075	15.3	855	753	13.5
30 to 34	1,250	840	48.8	752	482	56.0
35 to 39	1,027	933	100.6	560	524	109.5
40 to 44	845			538		
45 to 54	1,101	798	38.0	1,268	890	42.5
55 to 64	1,080	791	36.5	2,027	1,919	5.6

Source: U.S. Bureau of the Census: Population Characteristics (Series P-20, No. 445, 365)

Unmarried Couples

The number of unmarried couples of opposite sex establishing households has also increased sharply. In the 1980s such couples with the male partner under 45 years of age increased 89% from 1.2 million in 1980 to 2.3 million in 1989, with the sharpest gain at ages 35 to 44. At older age levels the gain was 33.1%.

UNMARRIED COUPLE (OPPOSITE SEX) HOUSEHOLDS BY AGE OF MALE PARTNER: 1980, 1989
(Numbers in thousands)

	1989		1980		% Change
	Number	Percent	Number	Percent	1989/90
Total Couples	2,764	100.0%	1,560	100.0%	77.2%
Age of male:					
Under 25	614	22.2	382	24.5	60.7
25 to 34	1,164	42.1	637	40.8	82.7
35 to 44	548	19.8	212	13.6	158.5
45 and over	438	15.9	329	21.0	33.1

Source: U.S. Bureau of the Census: Population Characteristics (Series P-20, No. 445, 365)

Householders/Households

The composition of households is a bellwether for marketers, and amply defined and tracked in the annual surveys conducted each March by the Bureau of the Census. Households are generally defined in terms of the householder (one per unit), described as the person (or one of the persons) in whose name the housing unit is owned or rented (maintained). He or she is also designated as the "reference person", or may be called the "head".

Householders/Households (continued)

There are two major types of households: family (representing 71% of the 93.3 million households counted in 1990) and nonfamily (29%). The Census Bureau distinguishes three basic types of family households: married couple, male householder (no wife present), female householder (no husband present). Nonfamily households include persons living alone or groups with no members related to the householder.

The median age of all householders in 1990 was 45.3 years, down from 46.1 years in 1980 and 48.1 years in 1970. During the 1980s, boomers born between 1946 and 1955 replaced the smaller birth cohorts that were 35 to 44 years of age during the 1970s, and this has resulted in the sharp increase in householders in this age range--up 8.7 million over the 1970 level, 6.6 million more than in 1980 as of 1990.

The future pattern in the distribution of households by age of householder is quite set in the pattern in births along with immigration levels (concentrated at younger groups). Older householders will register the fastest gains, overall, while younger householders will decline not only due to past birth totals but to changes noted in lifestyles.

As of 1990, householders age 25 to 44 accounted for almost 44% of the 93.3 millions U.S. total, up from 40.3% in 1980. The middle of three series of projections on household counts compiled by the Census Bureau in 1986 place the U.S. total at 104.8 million by year 2000, with householders age 25 to 44 accounting for 40.9%. Those age 45 to 54, which represented 13.4% of the total in 1990 (down from 15.5% in 1980), were projected to account for 20.4% by year 2000.

Specific age groups within the broad age encompassing boomers are more meaningful to marketers, since buying patterns differ sharply in the broad groups (as well as in growing "niches" within each group, which marketers must define). The age group 35 to 44 which now represents a hefty 22% of householders will grow to the extent it is backed up by a peak number of boomers in their late twenties and early thirties. This is an age when interest in upgrading housing and home furnishings might be expected under favorable economic conditions. These households also have young children to a greater extent than in the 1980s.

Householders in the 45-to-54 age range--the group with peak earnings--represented 13.4% of the 1990 total (down from 15.5% in 1980) and are primed for growth. Their share is projected to 20.4% of the year 2000 total. Marketers of recreational and luxury products and services are anticipating benefits from this development.

Projections anticipate a decline of 15% in the number of householders age 25 to 29--now encompassing the last of the boomers and representing 10.1% of householders--falling from 9.4 million in 1990 to fewer than eight million by year 2000. This is the group--particularly the married-couple households --that represents the cream of many markets, notably the new and the moderate-priced resale housing market. Older households remain in their houses for a relatively long time, now not necessarily by choice, and turnover in housing has been reduced. The boom days in housing are not likely to be repeated.

MARITAL STATUS AND LIVING ARRANGEMENTS

Householders/Households (continued)

AGE OF HOUSEHOLDER: 1970, 1980, 1990
(Numbers in thousands)

Age	1990		1980		1970		Avg. Annual % Change	
	Number	Percent	Number	Percent	Number	Percent	1980-1990	1970-1980
All householders	93,347	100.0%	80,776	100.0%	63,401	100.0%	1.4	2.4
15 to 19	482	0.5	665	0.8	356	0.6	-3.2	6.2
20 to 24	4,639	5.0	5,904	7.3	4,003	6.3	-2.4	3.9
25 to 29	9,423	10.1	9,252	11.5	6,101	9.6	0.2	4.2
30 to 34	11,049	11.8	9,252	11.5	5,593	8.8	1.8	5.0
35 to 44	20,555	22.0	13,980	17.3	11,810	18.6	3.9	1.7
45 to 54	14,514	15.5	12,654	15.7	12,216	19.3	1.4	0.4
55 to 64	12,529	13.4	12,525	15.5	10,824	17.1	--	1.5
65 to 74	11,733	12.6	10,112	12.5	7,744	12.2	1.5	2.7
75 years & over	8,423	9.0	6,432	8.0	4,756	7.5	2.7	3.0
Median age (years)	45.3	--	46.1	--	48.1	--	--	--
Male	44.0	--	44.3	--	45.7	--	--	--
Female	49.2	--	53.0	--	59.4	--	--	--

Source: U.S. Bureau of the Census: Household and Family Characteristics (Series P-20, No. 447)

In 1989 (the latest year for which householder counts by sex are currently available), of 39.1 million men age 25 to 44 years in the civilian noninstitutional population, 29.9 million (76.4%) were householders. Comparable reports on women showed close to 40 million age 25 to 44 in the population, of which 27.4% (about 11 million) were householders.

HOUSEHOLDERS BY SEX AND AGE 20 TO 64 YEARS: 1989
(Number in thousands)

	MEN			WOMEN		
	Total Population	Householders No.	Householders % of Pop.	Total Population	Householders No.	Householders % of Pop.
Total, age 15 & over	91,033	63,513	69.8%	99,019	29,317	29.6%
Selected age groups:						
20 to 24	8,939	2,961	33.1	9,336	1,921	20.6
25 to 44	39,142	29,904	76.4	39,970	10,973	27.4
25 to 29	10,650	6,690	62.8	10,827	2,934	27.1
30 to 34	10,811	8,272	76.5	10,950	3,029	27.7
35 to 39	9,595	7,881	82.1	9,775	2,632	26.9
40 to 44	8,086	7,061	87.3	8,418	2,378	28.2
45 to 54	11,917	10,387	87.2	12,705	3,630	28.6
55 to 64	10,088	9,149	90.7	11,311	3,655	32.3

Source: U.S. Bureau of the Census: Population Characteristics (Series P-20, No. 445)

MARITAL STATUS AND LIVING ARRANGEMENTS

Householders/Households (continued)

The impact of the maturing population, as well as the lifestyle changes occurring within the baby-boom group are evident in the significant changes that have occurred in household composition.

From 1980 to 1989, the civilian noninstitutional population age 15 years and over increased 13% (males: 13.5%, females: 12.5%). The total number of households with a male head increased 11.7% (from 56.8 million to 63.5 million), while those with a female head rose 31.4% (from 22.3 million to 29.3 million). Female householders represented 31.6% of U.S. households in 1989 compared with 28.1% in 1980.

Reflecting the increase in young women who are unmarried but have set up households, the growing number of young men who do not establish their own households, and other lifestyle changes previously noted, households headed by men in the youngest segment of the boomers (age 25 to 29) showed a 0.8% decline in number from 1980 to 1989, while comparable figures for women rose 34.3%. Female householder growth outpaced male at every age level in the 1980s. Since income levels for female-headed households are generally considerably lower than for their male counterparts, this development is one of the factors affecting household buying power.

PATTERNS OF CHANGE IN HOUSEHOLDERS: 1980-1989

	MALE HOUSEHOLDERS			FEMALE HOUSEHOLDERS				
	% Change	% By Age		% Change	% By Age		% of All Hshldrs.	
	1989/80	1989	1980	1989/80	1989	1980	1989	1980
Age 15 & over								
Householder, total	11.7%	100.0%	100.0%	31.7%	100.0%	100.0%	31.7%	28.1%
Selected age groups:								
20 to 24	-25.7	4.7	7.0	9.3	6.5	7.9	39.3	30.6
25 to 44	20.5	47.0	43.7	57.1	37.4	31.4	26.8	22.0
25 to 29	- 0.8	10.5	11.8	34.3	10.0	9.8	30.5	24.5
30 to 34	18.2	13.0	12.3	53.1	10.3	8.9	26.8	22.0
35 to 44	34.8	23.5	19.5	77.6	17.1	12.7	25.1	20.3
45 to 54	5.0	16.3	17.4	35.1	12.4	12.1	25.9	21.4
55 to 64	2.5	14.4	15.7	12.5	12.5	14.6	28.5	26.7

Source: Based on U.S. Bureau of the Census reports: Population Characteristics (Series P-20, No. 445, 365)

The racial mix of the U.S. population is changing rapidly, and along with it the socio-economic profile of households. The nonwhite population shows a greater concentration among the younger age groups. Income levels, as well as customs and other factors play a role in shaping household-formation patterns among minorities that differ from whites. Minorities represented 16.3% of all householders age 25 to 44 years in 1990; in 1980, they represented 13.7%. Their share will continue to gain.

Householders/Households (continued)

PATTERNS IN AGE OF HOUSEHOLDERS BY RACE: 1990
(Numbers in thousands)

	Total*		White		Black		Hispanic Origin	
	Number	%	Number	%	Number	%	Number	%
Total	93,347	100.0%	80,163	100.0%	10,486	100.0%	5,933	100.0%
Age of householder:								
Under 25	5,121	5.5	4,222	5.3	708	6.7	542	9.1
Age 25 to 44	41,027	43.9	34,532	43.1	5,080	48.5	3,127	52.7
25 to 29	9,423	10.1	7,831	9.8	1,266	12.1	810	13.7
30 to 34	11,049	11.8	9,306	11.6	1,358	13.0	911	15.3
35 to 39	10,894	11.7	9,126	11.4	1,400	13.4	747	12.6
40 to 44	9,661	10.4	8,269	10.3	1,056	10.0	659	11.1
45 to 54	14,514	15.5	12,404	15.5	1,606	15.3	930	15.7
55 to 64	12,429	13.4	10,862	13.5	1,395	13.3	664	11.2
65 & over	20,156	21.6	18,144	22.6	1,696	16.2	671	11.3

* Includes races not separately listed. Hispanics may be of any race.

Source: U.S. Bureau of the Census Reports:
Population Characteristics (Series P-20, No. 447)

Under any condition, the rate of growth in household formations will continue to decline. In the year ending March 1990, according to the Census Bureau, households increased by only 517,000 (0.56%), at a time when the jobless rate was at its lowest level since 1973. Patterns in living arrangements, already noted, are a factor, as people are "doubling up" in various ways. The percentage of married couples without their own households is now the highest in 25 years. Fewer young people under 25 are living alone; more are living with relatives or in households headed by others. Adult men of all ages, to a growing degree, are not setting up independent living quarters. More than 13% now live in households headed by others--making many a good target market for sporting goods, vacation and travel-related services and products, apparel, etc., to the extent that they may have more leisure time and spending money, without household and family responsibilities.

The following tables summarize the diversified patterns by sex and age in marital status, household status and living arrangements of men and women age 20 and over, as reported for 1989. (Comparable data for 1990 will be issued later this year by the Census Bureau.)

MARITAL STATUS AND LIVING ARRANGEMENTS

Householders/Households (continued)

LIVING ARRANGEMENTS OF THE U.S. POPULATION AGE 20 AND OVER BY SEX: 1989
(Numbers in thousands)

	AGE (YEARS)							
MEN	20-24	25-29	30-34	35-39	40-44	45-54	55-64	65-74
Total number*	8,939	10,650	10,811	9,595	8,086	11,917	10,088	7,880
Householder**	2,961	6,690	8,272	7,881	7,061	10,387	9,149	7,171
In family group	1,749	4,735	6,584	6,557	6,041	9,103	7,936	6,064
Married, spouse present	1,483	4,425	6,237	6,220	5,713	8,601	7,637	5,803
Married, spouse absent	8	24	65	49	64	85	30	30
Not married	258	266	282	288	264	417	269	231
Non-family householder**	1,212	1,955	1,688	1,324	1,021	1,284	1,214	1,107
Living alone	643	1,240	1,250	1,027	845	1,101	1,080	1,045
Living with non-relative	569	715	438	298	175	182	134	62
Not a householder**	5,977	3,960	2,540	1,714	1,025	1,530	939	708
In family group	5,139	2,974	1,835	1,199	788	1,179	739	613
Spouse of householder	144	373	438	473	396	602	426	297
Child of householder	4,379	2,073	1,057	525	295	370	105	38
Other	616	528	340	201	97	207	203	278
Living with non-relative	774	940	678	497	212	334	194	86
Living in group quarters	52	31	15	6	8	13	5	9
Other	12	16	12	12	17	4	1	--
Percent of total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Householder**	33.1	62.8	76.5	82.1	87.3	87.2	90.7	91.0
In family group	19.6	44.5	60.9	68.3	74.7	76.4	78.7	76.9
Married, spouse present	16.6	41.5	57.7	64.8	70.6	72.2	75.7	73.6
Married, spouse absent	***	0.2	0.6	0.5	0.8	0.7	0.3	0.4
Not married	2.9	2.5	2.6	3.0	3.3	3.5	2.7	2.9
Non-family householder**	13.6	18.3	15.6	13.8	12.6	10.8	12.0	14.1
Living alone	7.2	11.6	11.6	10.7	10.4	9.2	10.7	13.3
Living with non-relative	6.4	6.7	4.0	3.1	2.2	1.5	1.3	0.8
Not a householder**	66.9	37.2	23.5	17.9	12.7	12.8	9.3	9.0
In family group	57.5	27.9	17.0	12.5	9.7	9.9	7.3	7.8
Spouse of householder	1.6	3.5	4.1	4.9	4.9	5.1	4.2	3.8
Child of householder	49.0	19.4	9.8	5.5	3.6	3.1	1.0	0.5
Other	6.9	5.0	3.1	2.1	1.2	1.7	2.0	3.5
Living with non-relative	8.7	8.8	6.3	5.2	2.6	2.8	1.9	1.1
Living in group quarters	0.6	0.3	0.1	***	***	0.1	0.1	--
Other	***	0.1	0.1	0.1	0.2	***		

(continued)

Householders/Households (continued)

LIVING ARRANGEMENTS OF THE U.S. POPULATION AGE 20 AND OVER BY SEX: 1989
(Numbers in thousands)
(continued)

	AGE (years)							
WOMEN	20-24	25-29	30-34	35-39	40-44	45-54	55-64	65-74
Total number*	9,336	10,827	10,950	9,775	8,418	12,705	11,311	9,867
Householder**	1,921	2,934	3,029	2,632	2,378	3,630	3,655	4,418
In family group	1,014	1,721	2,060	1,933	1,769	2,232	1,534	1,044
Married, spouse present	203	439	511	466	413	557	376	236
Married, spouse absent	126	299	381	334	255	300	132	27
Other	685	983	1,177	1,133	1,101	1,375	1,026	871
Non-family householder**	907	1,213	968	699	609	1,398	2,121	3,374
Living alone	519	855	752	560	538	1,268	2,027	3,310
Living with non-relative	388	358	216	139	71	130	94	64
Not a householder	7,415	7,893	7,922	7,143	6,040	9,075	7,655	5,449
In family group	6,384	7,116	7,493	6,845	5,820	8,864	7,491	5,362
Spouse of householder	2,562	5,629	6,731	6,387	5,494	8,349	6,962	4,783
Child of householder	3,361	1,149	579	328	203	238	130	29
Other	461	338	183	130	123	277	399	550
Living with non-relative	918	666	339	220	182	188	136	62
Living in group quarters	17	4	2	1	2	10	28	25
Other	96	107	88	77	36	13	--	--
Percent of total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Householder**	20.6	27.1	27.7	26.9	28.2	28.6	32.3	44.8
In family group	10.9	15.9	18.8	19.8	21.0	17.6	13.6	10.6
Married, spouse present	2.2	4.1	4.7	4.8	4.9	4.4	3.3	2.4
Married, spouse absent	1.3	2.8	3.5	3.4	3.0	2.4	1.2	0.3
Other	7.4	9.1	10.7	11.6	13.1	10.8	9.1	7.9
Non-family householder**	9.7	11.2	8.8	7.1	7.2	11.0	18.7	34.2
Living alone	5.5	7.9	6.9	5.7	6.4	10.0	17.9	33.5
Living with non-relative	4.2	3.3	2.0	1.4	0.8	1.0	0.8	0.6
Not a householder	79.4	72.9	72.3	73.1	71.8	71.4	67.7	55.2
In family group	68.4	65.7	68.4	70.0	69.1	69.8	66.2	54.4
Spouse of householder	27.4	52.0	61.4	65.3	65.3	65.7	61.5	48.5
Child of householder	36.0	10.6	5.3	3.4	2.4	1.9	1.2	0.3
Other	5.0	3.1	1.7	1.3	1.5	2.2	3.5	5.6
Living with non-relative	9.8	6.2	3.1	2.3	2.2	1.5	1.2	0.6
Living in group quarters	0.2	***	***	***	***	1.0	0.3	0.2
Other	1.0	1.0	0.8	0.8	0.4		--	--

* Covers the civilian noninstitutional population.

** The householder is the person (or one of the persons) in whose name the housing unit is owned or rented (maintained), and who is the "reference person". The number of householders is equal to the number of households.

*** Less than 0.1%.

Source: U.S. Bureau of the Census Reports: Population Characteristics (Series P-20, No. 445)

Householders/Households (continued)

Married-couple households are generally conceded to be the most important overall target market for consumer goods. They now represent close to 60% of households with a head age 25 to 44. The share rises from 51.4% of those in the 25-to-29 year bracket to 64.4% of households with a head age 40 to 44 years.

SUMMARY OF U.S. HOUSEHOLDS BY TYPE AND SIZE
WITH HOUSEHOLDERS AGE 20 TO 64: 1990
(Numbers in thousands)

	Age of Householder (Years)								
				Age 25 to 44 Years					
	20-24	Number	%	25-29	30-34	35-39	40-44	45-54	55-64
All households	4,639	41,027	100.0%	9,423	11,049	10,894	9,661	14,514	12,519
Family households	2,587	31,547	76.9	6,413	8,440	8,741	7,953	11,712	9,251
Married-couple	1,538	24,468	59.6	4,846	6,539	6,859	6,224	9,471	7,844
Other:									
Male householder*	264	1,355	3.3	328	345	344	338	530	328
Female householder*	785	5,725	13.9	1,239	1,557	1,538	1,391	1,711	1,079
Nonfamily household	2,052	9,478	23.1	3,010	2,608	2,152	1,708	2,802	3,278
Male householder	1,143	5,780	14.1	1,785	1,682	1,371	942	1,411	1,125
Female householder	909	3,697	9.0	1,225	926	781	765	1,392	2,153
Average persons per household, total	2.25	3.09	--	2.61	3.06	3.32	3.32	2.95	2.34
Under age 18	0.46	1.20	--	0.83	1.27	1.45	1.20	.60	.20
% with children under 18	--	61.6%	--	48.7%	63.4%	69.4%	63.4%	37.0%	12.4%

* No spouse present

Source: (See below)

The biggest percent of baby-boomer households is in the South (34.4%), followed by the Midwest (23.9%), the West (21.8%) and the Northeast (19.9%).

PERCENT OF TOTAL HOUSEHOLDS BY TYPE IN EACH AGE GROUP
ACCOUNTED FOR BY EACH REGION: 1990

	Age of Householder (Years)							
		Age 25 to 44 Years						
	20-24	Total	25-29	30-34	35-39	40-44	45-54	55-64
NORTHEAST								
Total households	14.8%	19.9%	18.8%	20.3%	19.5%	21.0%	21.0%	21.6%
Family	14.3	19.9	18.5	20.4	19.3	21.2	21.1	21.3
Nonfamily	15.4	19.9	19.4	19.9	20.3	20.2	20.6	22.3
MIDWEST								
Total households	27.2	23.9	24.3	23.4	24.5	23.3	24.3	24.1
Family	25.9	23.9	23.4	23.9	24.6	23.3	24.6	24.8
Nonfamily	28.8	23.8	26.4	21.9	24.3	21.5	23.2	22.3
SOUTH								
Total households	35.7	34.4	36.0	34.1	34.2	33.5	33.9	35.3
Family	38.0	35.2	37.8	34.6	35.0	33.7	34.4	35.4
Nonfamily	32.9	32.0	32.1	32.7	30.6	32.4	31.5	35.0
WEST								
Total households	22.2	21.8	20.9	22.1	21.8	22.2	20.8	18.9
Family	21.8	21.0	20.3	21.0	21.1	21.4	19.9	18.5
Nonfamily	22.9	24.3	22.1	25.5	24.8	25.9	24.7	20.2

Source: U.S. Bureau of the Census Reports:
Population Characteristics (Series P-20, No. 447)

MARITAL STATUS AND LIVING ARRANGEMENTS

Householders/Households (continued)

The changes in living arrangements of young adults in the 1980s is evident in the current profile of U.S. households by type, marked by a decline in young married couples, the increase in nonfamily households, and the increase in adults living alone. The share of 1990 households accounted for by married couples with heads in the 25-to-29 age bracket dropped to 5.2% from 6.5% in 1980; those with heads age 30 to 34 went from 7.4% to 7.0%. Married couples in the 35-to-44 age bracket, however, showed a gain, as noted in the table below, due to the aging of the baby boomers.

Married-couple households with heads age 25 to 29 who had own children declined almost 11% in number in the 1980s and their share of all households fell from 4.4% in 1980 to 3.4%; in the 30-to-34 age group, their share fell from 6.1% to 5.6% in this period. Delayed parenting has been another characteristic in recent years, and this is expected to continue while women in the older cohort of the baby boomers are of child-bearing years. In 1990, the number of married couples in the age 35-to-44 householder bracket who had own children under 18 years gained 24% over the 1980 total, to total 10.6 million families. They represented 11.4% of all households in 1990 compared with 10.6% in 1980.

MARRIED-COUPLE HOUSEHOLDS WITH HOUSEHOLDER AGE 25 TO 44 YEARS: 1980, 1990
(Numbers in thousands)

	1990			1980			% Change
	Number	%	%	Number	%	%	1990/80
Total Households (all ages)	3,347	100.0%	--	80,776	100.0%	--	15.6%
All family households	66,090	70.8	--	59,550	73.7	--	11.0
All married couples	52,317	56.0	--	49,112	60.8	--	6.5
With householder Age 25 to 44, total*	24,468	26.2	100.0%	21,139	26.2	100.0%	15.7
25 to 29	4,846	5.2	19.8	5,250	6.5	24.8	- 7.7
30 to 34	6,539	7.0	26.7	6,008	7.4	28.4	8.8
35 to 39	6,859	7.3	28.0	5,373	6.6	25.4	27.7
40 to 44	6,224	6.7	25.5	4,508	5.6	21.3	38.1
With own children under age 18:							
All married couples	24,537	26.3		24,961	30.9		- 1.7
Householder age 25 to 44, total	18,988	20.3	77.6	17,045	21.1	80.6	11.4
25 to 29	3,177	3.4	13.0	3,557	4.4	16.8	-10.7
30 to 34	5,215	5.6	21.3	4,950	6.1	23.4	5.3
35 to 39	5,849	6.3	23.9	4,779	5.9	22.6	22.4
40 to 44	4,747	5.1	19.4	3,759	4.7	17.8	26.3

(continued)

Householders/Households (continued)

MARRIED-COUPLE HOUSEHOLDS WITH HOUSEHOLDER AGE 25 TO 44 YEARS: 1980, 1990
(Numbers in thousands)
(continued)

	1990		1980		
	Number of own children	%	Number of own children	%	% Change 1990/80
Married couples					
By householder age					
25 to 44	37,363	100.0%	34,815	100.0%	7.3%
25 to 29	5,295	14.2	6,052	17.4	-12.5
30 to 34	10,305	27.6	10,021	28.8	2.8
35 to 39	12,541	33.5	10,780	31.0	16.3
40 to 44	9,222	24.7	7,962	22.8	15.8
Average number of children					
By householder age					
25 to 44	1.97			2.04	
25 to 29	1.67			1.70	
30 to 34	1.98			2.09	
35 to 39	2.14			2.26	
40 to 44	1.94			2.12	

* The person (or one of the persons) in whose name the housing unit is owned or rented (maintained), and who is the "reference person". The number of householders is equal to the number of households.

Source: U.S. Bureau of the Census: Population Characteristics
(Series P-20, No. 366, 447)

The percent of young-adult, married-couple households with children under 18 shows a decline in the 1980s at each householder age level from 25 to 44 years.

PERCENT OF MARRIED-COUPLE HOUSEHOLDS WITH OWN CHILDREN UNDER 18

25 to 44, total		Age of Householder (Years)							
		25 to 29		30 to 34		35 to 39		40 to 44	
1990	1980	1990	1980	1990	1980	1990	1980	1990	1980
77.6%	80.6%	65.5%	67.7%	79.7%	82.4%	85.8%	88.9%	76.3%	83.4%

Although the percentages are down, reflecting population growth, the number of households with children under 18 registered an increase in the 1980s among those with heads age 30 to 44 years. Of all married-couple households with heads age 25 to 44 years 77.6% had children under 18 in 1990. The comparable figure for 1980 was 80.6%. The above table shows the percentages for each individual age group.

HOMEOWNERS/RENTERS

Census Bureau data on the number of family householders classified as homeowners vs. renters show owners predominate at every age level over 29, and represent an increasing share as householders age. Among householders age 25 to 29 years, 43.3% were owners in 1990; in the next age group, 30 to 44 years, homeowners represented 57.8% of all families after age 44, owners increased to over 80%.

There is a significant difference in homeownership by type of family as well as age. Married-couple families register the highest share of ownership at all age levels. Ownership rates are much higher for white families than for blacks or Hispanics (who may be of any race). In families other than married couples, renters outnumber owners to a much greater extent than noted for married couples, particularly among families with a female head. In this group, owners do not exceed renters until heads are age 45 and over--reflecting to a great extent an increasing number of widows and divorced persons.

Data has not been published by the Census Bureau on tenure among nonfamily households, which represented 29.2% of all households in 1990, 15.9% of households with heads age 25 to 44 years.

HOMEOWNERS VS. RENTERS BY AGE OF HOUSEHOLDER AND TYPE OF FAMILY: 1990
(Numbers in millions)

		Age of Householder (years)							
	Total*	20-24	25-29	30-34	35-39	40-44	45-54	55-64	65-74
All families (no.)	66.1	2.6	6.4	8.4	8.7	7.9	11.7	9.2	7.2
Owners (%)	71.3	21.3	43.3	57.8	68.3	75.7	81.9	87.0	87.4
Renters (%)	28.7	78.7	56.7	42.2	31.7	24.3	18.1	13.0	12.6
Married-couple families (no.)	52.3	1.5	4.8	6.5	6.9	6.2	9.5	7.8	6.1
Owners (%)	77.9	26.7	51.1	66.4	76.3	82.3	87.2	89.9	89.5
Renters (%)	22.1	73.3	48.9	33.6	23.7	17.7	12.8	10.1	10.5
Other families:									
Female hshldr. (no.)**	10.9	0.78	1.2	1.6	1.5	1.4	1.7	1.1	0.86
Owners (%)	43.6	11.2	15.2	25.0	36.3	47.9	57.7	68.4	75.1
Renters (%)	56.4	88.8	84.8	75.0	63.7	52.1	42.3	31.6	24.9
Male hshldr. (no.)**	2.9	0.26	0.33	0.34	0.34	0.34	0.5	0.33	0.23
Owners (%)	56.2	20.4	33.8	44.5	51.7	67.3	67.0	78.7	77.2
Renters (%)	43.8	79.6	66.2	54.5	48.3	32.7	33.0	21.3	22.8
Race									
White families (no.)	56.6	2.0	5.3	7.1	7.3	6.8	10.1	8.1	6.5
Owners (%)	75.3	25.0	48.2	63.2	72.7	79.1	84.7	84.6	89.0
Renters (%)	24.7	75.0	51.8	36.8	27.3	20.9	15.3	10.4	11.0
Black families (no.)	7.5	0.46	0.94	1.1	1.1	0.84	1.2	0.90	0.57
Owners (%)	46.2	7.3	17.3	28.6	43.3	53.9	62.3	67.7	74.3
Renters (%)	53.8	92.7	82.7	71.4	56.6	46.1	37.7	32.3	25.7
Hispanic families, (no.)***	4.8	0.35	0.68	0.78	0.66	0.56	0.79	0.58	0.32
Owners (%)	44.7	8.0	23.0	32.4	42.9	52.8	57.8	72.9	71.2
Renters (%)	55.3	92.0	77.0	67.6	57.1	47.2	42.2	27.1	28.8

* Total includes younger and older householders not separately listed.
** No spouse present.
*** Hispanics may be of any race.

Source: Based on Bureau of the Census: Population Characteristics (Series P-20, No 447)

HOMEOWNERS/RENTERS

As householders age, their tenure gradually shifts from predominately renters to predominately homeowners. However, the homeownership rate in the U.S. generally declined in the 1980s--the first decade-long decline since the 1930s, according to the Census Bureau. The rates for householders under 35 years old were significantly lower, overall (though the Northeast was an exception). A factor in the decline was the increase in non-family households, which include a lower proportion of homeowners than do family households.

HOMEOWNERSHIP RATES BY AGE OF HOUSEHOLDER AND HOUSEHOLD TYPE: 1982, 1987-1989

	1989	1988	1987	1982
U.S. householders, total	63.9	63.8	64.0	64.8
Selected age groups:				
Under 25 years	16.6	15.8	16.0	19.3
25 to 29 years	35.3	35.9	36.4	38.6
30 to 34 years	53.2	53.2	53.5	57.1
35 to 39 years	63.4	63.6	64.1	67.6
40 to 44 years	70.2	70.7	70.8	73.0
45 to 49 years	74.1	74.4	74.6	76.0
50 and over	77.2	77.1	77.4	77.2
Household types:				
Married-couple families	78.3	78.9	78.7	78.5
Householder age:				
Under 25 years	27.7	29.1	29.9	32.6
25 to 29 years	50.9	52.4	52.6	53.9
30 to 34 years	68.4	69.0	69.2	71.9
35 to 39 years	77.6	77.8	78.0	80.4
40 to 44 years	82.9	83.5	83.1	83.9
45 to 49 years	85.7	86.2	86.0	86.6
50 and over	89.1	88.9	88.9	88.1
Other families:				
Male householder:	55.7	56.1	56.5	59.3
Under 25 years	21.0	17.6	18.6	21.6
25 to 29 years	30.3	32.3	30.5	34.7
30 to 34 years	42.4	43.4	46.0	50.9
35 to 39 years	56.4	55.6	57.2	61.2
40 to 44 years	61.7	64.7	61.9	63.6
45 to 49 years	65.9	66.2	62.9	69.6
50 and over	75.9	76.4	76.8	76.1
Female householder:	44.1	45.3	45.8	47.1
Under 25 years	9.1	8.4	7.1	8.9
25 to 29 years	13.4	14.4	15.4	17.3
30 to 34 years	25.0	28.3	26.6	31.3
35 to 39 years	37.6	39.6	40.4	43.5
40 to 44 years	49.1	50.6	52.0	54.2
45 to 49 years	55.7	55.1	57.1	57.2
50 and over	71.0	71.4	72.1	70.9

(continued)

HOMEOWNERSHIP RATES BY AGE OF HOUSEHOLDER AND HOUSEHOLD TYPE: 1982, 1987-1989 (continued)

	1989	1988	1987	1982
Other households:				
One person	48.2	46.3	46.3	45.6
Male	41.8	39.9	39.9	38.0
Female	52.6	51.8	51.6	51.2
Two or more persons	31.2	31.5	31.6	30.1
Male householder	31.5	31.3	31.1	28.3
Less than 50 years	27.4	27.4	27.1	24.8
50 and over	62.7	60.9	59.3	53.4
Female householder	30.8	30.5	30.7	30.1
Less than 50 years	22.2	21.8	21.4	17.1
50 and over	66.0	69.0	70.9	72.8

Source: U.S. Bureau of the Census:
Homeownership Trends in the 1980s (Series H-121, No. 2)

While lower prices for houses and reduced interest rates are expected to stimulate the housing market, other factors work in the opposite direction. High unemployment rates and what may not be a very short recession are currently discouraging factors. In the longer term, demographic trends, particularly the concentration of population growth among the older population that are to a great degree already homeowners (who may have trouble selling their homes and buying another), the declining rate in new household formations, and changing lifestyles work against homeownership.

Another factor is the level of mortgage debt. There has been a sharp rise in the ratio of home mortgage debt to the value of owner-occupied real estate, as home prices have weakened. According to economist Robert H. Chandross of Lloyds Bank PLC, from 1960 to 1987 the ratio ranged from 36% to 46%. But in the three years ended in 1990, it jumped to 57.5%. (Business Week, April 8, 1991).

A report for the fourth quarter of 1990 compared with the same 1989 period on homeownership rates by age, issued by the Census Bureau, showed a drop in rates among the baby-boom population age 25 to 44. According to an analysis by the Federal Reserve Bank of Philadelphia, fewer new households and fewer first-time home buyers will severely limit the need for new rental housing and for starter homes. These trends will adversely affect sales of homefurnishings, hardware and services.

However, the growth in the population age 35 to 64 will continue to accelerate, resulting in a continuing shift of buyers into the tradeup market. The view ahead looks for growing emphasis by builders on luxury homes, increasing in size and quality. As viewed in a U.S. Bureau of Labor Statistics analysis of the expected shape of the economy by year 2000, the average value of a housing unit will increase during the coming decade, offsetting, to some extent at least, the demographic-induced slowdowns in housing starts. Upscale retailers of homefurnishings and some specialized services should benefit.

LABOR FORCE/EMPLOYMENT/EARNINGS

Labor force growth slowed considerably in the 1980s compared with the 1970s as the baby-bust generation entered the ranks. Projections by the U.S. Bureau of Labor Statistics (BLS) anticipate a slower rate of growth in the 1990s.

By the late 1970s, the baby-boom generation had entered the work force. By 1989 all of this generation were of an age to be counted in the prime age span (age 25 to 54) of the labor force; the year 2000 will be the last year the entire baby-boom group will be in this age span. With the entrance of a much smaller generation in the labor force, and the aging of the population over 55, the composition of the labor force will be affected, as well as the rate of growth. Racial and ethnic origin changes will also be marked.

In addition, the high growth rate in women's labor force participation is projected to slow, generally because it has already reached a high level rising from 47.3% of women age 16 and over in 1976 to 57.5% in 1990. The 1990 rate was down 0.3 of a percentage point over the year, the first such decline in three decades--most of the drop being among women age 16 to 19 years. However, despite a slowdown, the BLS projects changes in the male/female composition of the labor force to continue over the 1990s as the rate of growth for women continues at nearly double that for men. Women are expected to constitute 47% of the total work force by 2000 compared with 45% in 1990, 42% in 1980. The employment ranks of women will continue to include a growing proportion of mature, experienced people with management responsibilities, and higher earnings.

Projections by the BLS to year 2000 on the age and sex composition of the civilian labor force, based on medium-growth assumptions, anticipate the fastest growth will be in the 45-to-54 age group--with a gain of 5.8 million men compared with 1988 (up 55.2%) and 5.9 million women (up 68.9%).

PROJECTIONS ON THE COMPOSITION OF THE CIVILIAN LABOR FORCE BY SEX AND AGE
IN YEAR 2000 COMPARED WITH 1988
(Number in thousands)

	Participation Rate*		Number		% Change		Growth Rate	
	1988	2000	1988	2000	1988/ 1976	2000/ 1988	1976-88	1988-2000
Total, 16 & over	65.9	69.0	121,669	141,134	26.5%	16.0%	2.0	1.2
MEN, 16 & over	76.2	75.9	66,927	74,324	17.1	11.1	1.3	0.9
16 to 19	56.9	59.0	4,159	4,422	-14.9	6.3	-1.3	-.5
20 to 24	85.0	86.5	7,594	6,930	-3.5	-8.7	-.3	-.8
25 to 34	94.3	94.1	19,742	16,572	33.5	-16.1	2.4	-1.4
35 to 44	94.5	94.3	16,074	20,188	53.1	25.6	3.6	1.9
45 to 54	90.9	90.5	10,566	16,395	2.7	55.2	.2	3.7
55 to 64	67.0	68.1	6,831	7,796	-2.7	14.1	-.2	1.1
65 & over	16.5	14.7	1,960	2,021	7.3	3.1	.6	.3
WOMEN, 16 & over	56.6	62.6	54,742	66,810	40.4	22.0	2.9	1.7
16 to 19	53.6	59.6	3,872	4,399	-7.1	13.6	-.6	1.1
20 to 24	72.7	77.9	6,910	6,705	7.7	-3.0	.6	-.3
25 to 34	72.7	82.4	15,761	15,105	67.3	-4.2	4.4	-.4
35 to 44	75.2	84.9	13,361	18,584	96.0	39.1	5.8	2.8
45 to 54	69.0	76.5	8,537	14,423	27.6	68.9	2.1	4.5
55 to 64	43.5	49.0	4,977	6,140	13.1	23.4	1.0	1.8
65 & over	7.9	7.6	1,324	1,454	23.9	9.8	1.8	0.8

*Civilian labor force as a percent of civilian noninstitutional population.

Source: U.S. Bureau of Labor Statistics: Monthly Labor Review (Nov. 1989)

LABOR FORCE/EMPLOYMENT STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION AGE 20 TO 54 YEARS: 1980, 1990

(Number in thousands)

Age (years):	20-24		25-34		35-44		45-54	
MEN	1990	1980	1990	1980	1990	1980	1990	1980
Population	8,647	10,023	21,049	17,833	18,285	12,400	12,319	10,861
In labor force	7,291	8,607	19,813	16,971	17,268	11,836	12,319	9,905
% of population	84.3	85.8	94.2	95.2	94.4	95.5	90.7	91.2
Employed	6,625	7,532	18,732	15,832	16,575	11,355	10,764	9,548
% of population	76.6	75.1	89.0	88.8	90.6	91.6	87.4	87.9
WOMEN								
Population	9,152	10,612	21,715	18,725	19,057	13,177	13,084	11,701
In labor force	6,552	7,315	15,990	12,257	14,576	8,627	9,316	7,004
% of population	84.3	85.8	94.2	95.2	94.4	95.5	90.7	59.9
Employed	5,997	6,555	15,099	11,370	13,967	8,168	9,001	6,686
% of population	65.5	61.8	69.5	60.7	73.3	62.0	68.8	57.1
WHITE								
Population	14,683	17,484	35,795	31,407	31,856	22,174	21,803	19,837
In labor force	11,709	13,769	30,318	25,181	27,371	17,811	17,729	14,956
% of population	79.7	78.7	84.7	80.2	85.9	80.3	81.3	75.4
Employed	10,865	12,495	28,922	23,653	26,389	17,071	17,143	14,405
% of population	74.0	71.5	80.8	75.3	82.8	77.0	78.6	72.6
BLACK								
Population	2,437	2,606	5,344	4,095	4,081	2,687	2,653	2,249
In labor force	1,679	1,802	4,263	3,259	3,358	2,081	2,022	1,596
% of population	68.9	69.0	79.8	79.5	82.3	77.4	76.2	7514
Employed	1,344	1,376	3,763	2,827	3,095	1,910	1,915	1,487
% of population	55.1	52.8	70.4	69.0	75.8	71.1	72.2	66.1

Source: U.S. Bureau of Labor Statistics

EMPLOYMENT TRENDS AMONG BABY BOOMERS: 1980-1990

(Number age 25-44 years, in thousands)

Population*	Total	Men	Women	White	Black
1990	80,106	39,334	40,772	67,651	9,425
1980	62,135	27,187	19,538	40,724	4,737
% change 1990/1980	28.9	30.1	27.8	26.3	39.0
Employed (civilian)					
1990	64,373	35,307	29,066	55,311	6,858
1980	46,725	27,187	19,538	40,724	4,737
% change 1990/1980	37.8	29.9	48.8	35.8	44.8
Employed: % of population					
1990	80.4	89.8	71.3	81.7	72.8
1980	75.2	89.9	61.2	76.0	69.8
% of employment					
1990	100.0*	54.8	45.2	85.9	10.6
1980	100.0*	58.2	41.8	87.2	10.1

* The civilian noninstitutional population, including races other than white and black.

Source: U.S. Bureau of Labor Statistics

LABOR FORCE/EMPLOYMENT/EARNINGS

An overall view of the work force status of men and women in the civilian noninstitutional population in 1990 is provided in the following statistical summary.

EMPLOYED CIVILIANS AGE 20 AND OVER BY CLASSIFICATION OF WORK: 1990
(Number in thousands)

			In Non-agricultural Industries							
	Population*		Wage/Salary Workers		Self-Employed		Unpaid Family Workers		In Agricultural Industries	
MEN	No.	%	No.	% of Pop.	No.	% of Pop.	No.	% of Pop.	No.	%
Age 20 & over	82,704	100.0%	53,281	64.4%	5,579	6.7%	37	**	2,302	2.8%
20-24 years	8,647	100.0	6,168	71.3	161	1.9	12	0.1%	284	3.3
25-34 years	21,038	100.0	16,886	80.3	1,202	5.7	9	**	635	3.0
35-44 years	18,285	100.0	14,425	78.9	1,659	9.1	5	**	487	2.7
45-54 years	12,319	100.0	9,193	74.6	1,238	10.0	2	**	331	2.7
55-64 years	10,023	100.0	5,303	52.9	906	9.0	2	**	319	3.2
65 & over	12,392	100.0	1,306	10.5	413	3.3	7	**	246	2.0
WOMEN										
Age 20 & over	91,557	100.0	46,502	50.8	3,116	3.4	201	0.2	634	0.7
20-24 years	9,152	100.0	5,810	63.5	121	1.3	9	0.1	56	0.6
25-34 years	21,715	100.0	14,149	65.2	743	3.4	34	0.2	173	0.8
35-44 years	19,057	100.0	12,764	67.0	979	5.1	58	0.3	166	0.9
45-54 years	13,084	100.0	8,154	62.3	681	5.2	56	0.4	110	0.8
55-64 years	11,206	100.0	4,403	39.3	405	3.6	32	0.3	94	0.8
65 & over	17,337	100.0	1,222	7.0	187	1.1	12	0.1	35	0.2

FULL-TIME VS. PART TIME EMPLOYMENT OF WAGE & SALARY WORKERS IN NON-AGRICULTURAL INDUSTRIES: 1990
(Number in thousands)

	Total At Work			On Full-Time Schedules			On Part-Time Schedules			Total
		% of Total			% of Total			% of Total		Av. Hours
MEN	Number	Pop.	Workers	Number	Pop.	Workers	Number	Pop.	Workers	at Work
Age 20 & over	56,218	68.0%	100.0%	51,334	62.1%	91.3%	4,882	5.9%	8.7%	43.0
20-24 years	6,150	71.1	100.0	4,916	56.8	79.9	1,234	14.3	20.1	38.7
25-44 years	32,811	83.4	100.0	30,974	78.8	94.4	1,837	4.7	5.6	44.2
45-64 years	15,675	70.2	100.0	14,614	65.4	93.2	1,061	4.7	6.8	43.3
65 & over	1,582	12.8	100.0	830	6.7	52.5	752	6.1	47.5	31.1
WOMEN										
Age 20 & over	46,688	51.0	100.0%	35,714	39.6	76.5	10,974	12.0	23.5	36.5
20-24 years	5,689	62.2	100.0	4,072	44.5	71.6	1,618	17.7	28.4	35.1
25-44 years	26,941	66.1	100.0	21,290	52.2	79.0	5,651	13.9	21.0	37.2
45-64 years	12,753	52.5	100.0	9,815	40.4	77.0	2,938	12.1	23.0	36.7
65 & over	1,304	7.5	100.0	536	3.1	41.1	769	4.4	59.0	27.0

* Civilian noninstitutional population at each age level, including workers and non-workers.

** Less than 0.1%.

*** Average for all wage and salary workers, including full- and part-time workers. The percent of workers age 20 and over working part-time voluntarily (not for economic reasons) was 59% among men, 79% among women. Full-time workers averaged 45.1 hours at work per week for men; for women, 41.4 hours.

Source: U.S. Bureau of Labor Statistics, *Employment And Earnings* (Jan. 1991)

LABOR FORCE/EMPLOYMENT/EARNINGS

In the 1980s, women entered higher-paying, skilled, generally male-dominated occupations to an increasing degree, as they gained in educational level and work experience. However, at all but the lowest pay levels women are generally paid less than men, although the gap for year-round full-time workers has been narrowing. In 1989, the Census Bureau reported the male-female earnings ratio for these workers was .68--an all-time high and compared with .62 in 1982 and .60 in 1980.

The fact that women are still largely segregated in traditional "women's jobs"--secretaries, sales clerks, waitresses, nurses, teachers, librarians--particularly older women, is a major factor in the pay gap, according to an analysis by the Older Women's League. Labor Department projections indicate a growing demand in these occupations, and an increasing use of low-paid, part-time, temporary and contract workers. Many workers in these occupations do not have health insurance.

The pay gap between men and women is also a reflection of the differences in the average hours worked by women compared with that of men--a result to a great extent of family responsibilities. The narrowing gap in overall pay has been due almost entirely to a relative increase in women's earnings per hour, not relative increases in hours worked. Efforts on the part of industry to solve some of the problems of child and elder care that are factors in women's working schedules may lessen the wage gap in the future.

BLS figures for 1990 on median weekly earnings of part-time workers amounted to $144 for both men and women age 25 years and over. The medians for full-time workers were as follows (but it should be kept in mind that the definition of full-time covers those at work 35-hours a week or more).

MEDIAN WEEKLY EARNINGS OF FULL-TIME WAGE AND SALARY WORKERS BY SEX
AGE 25 YEARS AND OVER: 1990

	Men	Women
Number of workers (thousands)	42,702	30,382
Age 25 and over	$ 514	$ 370
25 to 34	452	357
35 to 44	563	391
45 to 54	592	377
55 to 64	545	348
65 and over	402	300

Source: U.S. Bureau of Labor Statistics,
Employment and Earnings (Jan. 1991)

An analysis by June O'Neill of Baruch College, City University of N.Y., of hourly earnings of childless, white, 20-to-44 year old men and women showed women earning 96% of men's pay, 91% when adjusted for such factors as education, industry, skill level and work experience.

LABOR FORCE/EMPLOYMENT/EARNINGS

TOTAL INCOME OF YEAR-ROUND WORKERS AGE 25 TO 64: 1989

Age (years)	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64
MEN*								
Workers (thous.)	7,266	8,127	7,671	6,596	5,225	4,140	3,214	2,116
Median income	$22,471	$26,547	$31,244	$34,602	$35,408	$35,370	$34,758	$34,150
Mean income	25,091	39,549	36,366	41,142	42,856	42,601	42,254	43,309
WOMEN*								
Workers (thous.)	4,790	4,794	4,624	4,365	3,498	2,510	1,869	1,113
Median income	$19,060	$20,358	$21,197	$21,848	$21,156	$20,608	$19,952	$19,811
Mean income	20,548	22,504	24,164	24,693	24,627	22,962	23,168	22,952

* Number of workers as of March 1990; income in 1989. Members of the Armed Forces living on post or with their families off-post are included.

Source: U.S. Bureau of the Cnesus: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

Occupations

FULL-TIME WAGE AND SALARY WORKERS BY OCCUPATION AND SEX: 1990
(Number in thousands)

	MEN			WOMEN			
	Number of Workers	Median Weekly Earnings	Avg. Weekly Hours*	Number of Workers	% of Total Workers	Median Weekly Earnings	Avg. Weekly Hours*
Total, age 16 & over	49,015	$ 485	45.0	36,068	42.4%	$ 348	41.3
Occupations (excl. farm, forestry, fishing)							
Exec., admin., mgrs.	6,401	731	47.5	4,764	42.7	485	43.2
Professional, specialty#	5,863	720	46.2	5,831	49.9	534	41.8
Technical, sales and administrative support	9,596	496	45.5	16,202	62.8	332	40.6
Service occupations exc. household & protective	2,942	273	42.6	4,017	57.7	231	41.2
Precision, production, craft, repair	10,169	488	43.6	893	8.1	316	41.3
Operators, fabricators, laborers	11,257	378	43.9	3,675	24.6	262	40.8

* Includes self-employed as well as civilian wage and salary workers.
# Includes engineers, scientists, teachers, lawyers, health treating occupations, etc.

Source: U.S. Bureau of Labor Statistics, Employment and Earnings (Jan. 1991)

Occupations (continued)

MEDIAN EARNINGS OF MEN AND WOMEN BY OCCUPATION GROUP OF LONGEST JOB: 1990

(Number in thousands. Earnings in 1989 dollars)

	MEN			WOMEN		
	Number	%	Median Earnings	Number	%	Median Earnings
Total with earnings*	72,045	100.0%	$21,376	61,338	100.0%	$11,736
Exec., administrators, managerial	9,221	12.8	36,696	6,370	10.4	21,551
Professional specialty	8,053	11.2	35,548	8,703	14.2	22,089
Technical and related support	2,105	2.9	27,453	2,056	3.3	18,484
Sales	7,929	11.0	22,777	8,653	14.1	6,990
Admin. support incl. clerical	4,152	5.8	19,991	16,539	27.0	13,542
Precision, production, craft, repair	13,661	19.0	22,146	1,311	2.1	14,121
Machine operators, assemblers, inspectors	5,080	7.0	19,200	3,788	6.2	10,845
Transportation and material moving	4,858	6.7	19,474	511	0.8	9,114
Handlers, equip. cleaners, helpers, laborers	5,045	7.0	9,264	1,061	1.7	6,654
Service workers	7,465	10.4	10,558	11,611	18.9	5,487
Farming, forestry, fishing	3,531	4.9	7,668	656	1.1	3,977
Armed forces	945	1.3	nr	79	0.2	nr

* Includes full-time and part-time employees, as well as self-employed and Armed Forces, age 15 years and over in 1990; earnings in 1989.

nr not separately reported.

Source: (See below)

Educational Attainment

EDUCATIONAL ATTAINMENT OF EMPLOYED MEN AND WOMEN AND MEDIAN EARNINGS TOTAL AND BY SELECTED AGE GROUPS: 1990

	All Workers				Year-round, Full-time Workers			
	% Distribution		Median Earnings		% Distribution		Median Earnings	
	Men	Women	Men	Women	Men	Women	Men	Women
All persons with earnings	72,045	61,338	$21,376	$11,736	49,678	31,340	$27,331	$18,769
Percent:	100.0%	100.0%			100.0%	100.0%		
Less than 4 yrs. high school	19.4	15.2	9,917	4,641	13.1	9.6	18,143	12,298
4 yrs. high school or 1 to 3 yrs. of college	56.7	63.8	20,976	11,533	58.7	65.6	25,630	17,205
4 yrs. or more of college	23.8	21.0	36,141	21,858	28.2	24.9	40,164	26,919
Under 34 years: total	46.2	47.6	15,397	9,632	39.8	41.1	21,841	17,194
Less than 4 yrs. high school	10.3	7.9	5,183	2,346	4.9	2.7	15,116	11,108
4 yrs. high school or 1 to 3 yrs. of college	27.8	30.4	16,198	9,756	25.8	27.2	20,853	15,830
4 yrs. or more of college	8.1	9.2	27,352	20,552	9.1	11.1	31,202	24,800
Age 35 to 54 years: total	39.8	39.9	30,287	15,457	47.6	47.8	32,246	20,471
Less than 4 yrs. high school	5.4	4.5	17,255	9,345	5.5	4.7	20,413	13,260
4 yrs. high school or 1 to 3 yrs. of college	22.2	25.6	27,632	14,493	26.6	31.2	30,593	18,859
4 yrs. or more of college	12.1	9.7	41,817	24,707	15.5	11.9	44,461	29,442

Source: U.S. Bureau of the Census: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

LABOR FORCE/EMPLOYMENT/EARNINGS

Industry consolidations and down-sizing which have been underway in recent years are affecting experienced white-collar workers and increasing their share of the unemployment rolls to an unusual degree in the current recession. The indications are that progression up the career ladder will be increasingly constrained for the baby boomers, particularly in view of the large pool of experienced, well-educated competitors represented in this group. For the less well-educated, unable to meet the increasingly stringent job requirements, the outlook for the advancement possible in the past is cloudy.

Early retirement has been an option offered to, and accepted by, a growing number of employees below retirement age. Many currently unemployed professional and managerial people are having a difficult time finding positions at their former salary level, and many may find it necessary to make great adjustments in their lifestyles.

INCOME

Personal

Baby boomers age 25 to 44, including the civilian non-institutional population and members of the Armed Forces in the U.S. living off-post or with their families on-post, are concentrated in the $25,000-$34,999 income bracket. In 1989, this bracket accounted for almost 21% of the men and 11.4% of the women.

A total of 10.9 million men age 25 to 44 years (27.5% of all men of this age) had annual incomes of $35,000 or more; 1.4 million (3.6%) had incomes of $75,000 or more. The median income of men in this age group ranged from a low of $19,578 for those age 25 to 29 years to a high of $31,068 for those age 40 to 44. At the 45 to 49 age level, men had a 1989 median income of $31,264; at 55 to 64, the median was at $24,427.

By contrast, only 3.0 million women age 25 to 44 years (7.4% of this age group) had incomes of $35,000 or more; 218,000 (0.5% of the female boomers) were in the $75,000-and-over income bracket. The median income within the boomer group ranged from a low of $12,176 for women age 30 to 34 years to a high of $14,356 at age 40 to 44 years. It dropped to $13,991 for women age 45 to 49, then down to $9,163 for those age 55 to 64. The past history of lower earnings and fewer retirement benefits becomes evident as the current population of adult females moves up the age scale.

On a constant 1989 dollar basis, eliminating inflation, real median incomes reported for men in age brackets 25 to 54 years registered a decline in 1989 compared with 1988. The medians for women, however, registered a gain, particularly for age groups ranging from 35 to 64 years.

In the section on household income, it will be noted that there was a decline in 1989 compared with 1988, in real terms, in the median for households with heads under 45 years of age, while the median for older households registered gains. Differences in the composition of portfolios of households of various ages and the existence of inflation-indexed programs designed to assist older Americans are factors in this development, according to an analysis by the Federal Reserve Bank of San Francisco. The spread is particularly marked in periods of high inflation.

INCOME

Personal (continued)

MEDIAN INCOME OF MEN AND WOMEN UNDER 65 YEARS: 1987-1989

(Number with income, in thousands)

	1989		1988		1987		% Change in Real Median Income 1989/88*
MEN (with income)	Number	Median Income	Number	Median Income	Number	Median Income	
Under 65 years	75,194	$21,275	74,564	$20,537	73,983	$18,489	- 1.2%
15 to 24 years	14,217	6,313	14,595	5,843	14,976	5,457	3.1
25 to 34 years	20,998	21,367	20,912	20,782	20,783	19,927	- 1.9
35 to 44 years	18,073	29,437	17,400	28,545	16,803	27,042	- 1.6
45 to 54 years	12,088	30,962	11,702	29,578	11,398	28,487	- .1
55 to 64 years	9,818	24,427	9,955	22,647	10,023	21,883	2.9
WOMEN (with income)							
Under 65 years	73,338	$10,470	73,865	$ 9,704	73,195	$ 8,965	2.9
15 to 24 years	14,115	4,739	14,510	4,485	14,859	4,408	.8
25 to 34 years	20,209	12,231	20,228	11,565	20,228	10,979	.9
35 to 44 years	17,692	13,805	17,044	12,546	16,465	11,995	5.0
45 to 54 years	12,007	13,143	11,687	12,020	11,180	11,263	4,3
55 to 64 years	10,315	9,163	10,397	8,377	10,502	7,541	4.4

*1988 income measured in 1989 dollars

Source: Same as below

Median personal incomes in 1989 reached a peak within the 45-to-49 age group for men ($31,264) and within the 40-to-44 age bracket for women ($14,356). As a group, the baby-boom generation is now at or moving into above-average income levels. The following table shows the progression in income by age brackets, as reported by the Census Bureau. Population numbers are as of March 1990; income as of 1989.

SUMMARY OF MEDIAN AND MEAN PERSONAL INCOME BY AGE: 1989

(Numbers in thousands)

	MEN			WOMEN		
	Number*	Median	Mean	Number*	Median	Mean
Under 65 years, total	79,621	$21,275	26,870	82,606	$10,470	$13,727
15 to 24 years	17,533	6,313	8,875	17,722	4,739	6,947
25 to 29 years	10,515	19,578	21,658	10,685	12,275	14,008
30 to 34 years	10,947	23,663	26,803	11,094	12,176	14,848
35 to 39 years	9,844	27,652	32,199	10,047	13,253	16,108
40 to 44 years	8,487	31,068	36,387	8,817	14,356	17,442
45 to 49 years	6,760	31,264	38,174	7,100	13,991	17,370
50 to 54 years	5,532	30,563	36,942	5,912	12,162	15,495
55 to 59 years	5,012	26,913	34,005	5,537	9,895	13,892
60 to 64 years	4,991	21,396	29,716	5,692	8,624	12,544

* Includes persons without income.

Source: U.S. Bureau of the Census: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

The bulk of the population should be moving along into higher income brackets (if the 1989 pattern prevails) for many years. In 20 years, the last of the male boomers, (age 25 in 1990) will be in the highest income bracket (age 45 to 49); for women the peak is earlier. Coming along, however, are smaller numbers due to the birth-dearth years, and they may have an easier time than the younger boomers--with less competition--in moving upward in income.

INCOME

Personal (continued)

The biggest share of male boomers counted in 1990 had 1989 personal income in the $25,000-$34,999 range (20.6%), while most females (37.5%), had $10,000 or less. Personal income of $55,000 or more was attributed to 8.0% of the males, only 1.3% of females.

DISTRIBUTION OF PERSONS BY SEX AND AGE 25 TO 64 YEARS
BY TOTAL MONEY INCOME: 1990
(Number of persons in thousands)

	Age 25 to 44 years						
	Total	25-29	30-34	35-39	40-44	45-54	55-64
MEN							
Total number*	39,793	10,515	10,947	9,844	8,487	12,292	10,002
Percent	100.0%	100 0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number with income	98.2	97.9	97.8	98.3	98.4	98.3	98.2
Income level 1989:							
Under $10,000	14.5	19.0	14.2	12.3	11.6	11.6	19.1
$10,000 - $19,999	22.9	31.0	24.3	18.9	15.5	17.2	21.6
20,000 - 24,999	12.8	15.6	13.3	11.5	10.1	9.0	9.2
25,000 - 34,999	20.6	19.1	21.7	21.2	20.0	18.3	16.5
35,000 - 44,999	12.9	8.1	12.3	15.2	17.0	16.0	11.9
45,000 - 54,999	6.5	2.8	6.0	8.2	9.9	9.8	7.7
55,000 - 74,999	4.4	1.3	3.4	6.3	7.3	8.7	5.7
75,000 - 99,999	1.9	0.4	1.6	2.4	3.5	3.6	2.8
100,000 & over	1.7	0.6	1.1	2.2	3.4	4.1	3.6
Median income	na	$19,578	$23,663	$27,652	$31,068	$30,962	$24,427
Mean income	na	21,658	26,803	32,199	36,387	37,620	31,858
WOMEN							
Total number*	40,642	10,685	11,094	10,047	8,817	13,012	11,230
Percent	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number with income	93.3	92.2	93.3	93.9	93.7	92.3	91.8
Income level 1989:							
Under $10,000	37.5	37.3	40.1	37.4	34.6	37.3	48.5
$10,000 - $19,999	27.2	30.6	25.8	26.4	25.7	24.9	22.8
20,000 - 24,999	9.7	10.3	9.2	9.9	9.4	9.2	7.4
25,000 - 34,999	11.4	9.9	10.8	11.9	13.3	11.1	6.8
35,000 - 44,999	4.6	2.8	4.9	4.6	6.3	5.6	3.6
45,000 - 54,999	1.5	0.7	1.5	1.8	2.3	2.1	1.5
55,000 - 74,999	0.8	0.5	0.6	1.0	1.2	1.2	0.6
75,000 - 99,999	0.5	0.2	0.4	0.8	0.9	0.9	0.6
Median income	na	$12,275	$12,176	$13,253	$14,356	$13,143	$ 9,163
Mean income	na	14,008	14,848	16,108	17,442	16,524	13,892

na not available

* Covers non-institutional civilians and members of the Armed Forces living off-post, or with their families on-post as of March 1990. (Income in year 1989.)

Source: U.S. Bureau of the Census: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

INCOME

Household

Baby-boom households at the leading edge--those with heads age 40 to 44 years--had attained a 1989 median household income level of $40,041 compared with $27,308 for households with heads age 25 to 29 years. The older group is now entering the age bracket 45 to 49 years which is credited with the highest household income level--a median of $42,165 in 1989, a mean of $50,474. After that, there is a downward progression along with aging householders.

Married-couple households (60% of all households counted in March 1990) have higher incomes, on average, at all householder age levels due primarily to having two earners. Income for these households, too, generally peaks among those with heads age 45 to 49 years--with a median of $51,748, a mean of $60,542 in 1989. Coming into this group are baby-boomer heads age 40 to 44 years, which had a median income of $48,808, a mean of $56,440. This compares with a median of $32,612 for married-couple households with heads age 25 to 29.

SUMMARY OF MEDIAN AND MEAN HOUSEHOLD INCOME BY HOUSEHOLDER AGE GROUPS: 1990
(Number of households in thousands)

					Average No. Per Household	
	Number*	%	Median Income	Mean Income	All Members	Under 18
All households	93,347	100.0%	$28,906	$36,520	2.63	.69
Age of household head:						
Under 65 years	73,191	78.5%	33,019	40,119	2.88	.59
15 to 24 years	5,121	5.5	18,663	21,566	2.30	1.00
25 to 29 years	9,423	10.1	27,308	31,145	2.61	.83
30 to 34 years	11,049	11.8	31,959	36,199	3.06	1.27
35 to 39 years	10,894	11.7	36,162	41,672	3.32	1.45
40 to 44 years	9,661	10.3	40,041	46,857	3.32	1.20
45 to 49 years	7,936	8.5	42,165	50,474	2.95	.60
50 to 54 years	6,579	7.0	40,787	49,058		
55 to 59 years	6,101	6.5	34,493	43,259	2.34	.20
60 to 64 years	6,429	6.9	27,820	37,126		
65 to 69 years	6,312	6.8	20,807	29,619	1.89	.07
70 to 74 years	5,421	5.8	17,049	24,003		
75 and over	8,423	9.0	12,101	18,475	1.55	.03

* Number as of March 1990; income in 1989.

Source: U.S. Bureau of the Census: Current Population Survey, March 1990 (Unpublished Data)

For the next five years, boomers as a group will be moving upwards in household income classifications, according to the present pattern. The biggest group of householders, age 30 to 39, numbering 22 million (53.5% of boomer-head households) are now at a stage of great importance to consumer goods marketers. Households have been formed but furnishing and decorating are still underway; new members are being added to the family to a greater degree than in past years. The outlook for income growth could be good for many, if past patterns of income growth along with an upturn in the economy and in the employment situation, prevail. But competition will be keen because of their sheer numbers in the face of a contracting job market.

Household (continued)

Real growth in income, personal and household, will also depend on the course of inflation. An analysis by the Census Bureau for the years 1967 to 1988 on median household incomes measured in constant 1988 dollars by age of householder showed actual year-to-year declines in this span. Following are selected years showing relative levels.

MEDIAN INCOME OF HOUSEHOLDS IN CURRENT AND CONSTANT 1988 DOLLARS: BY AGE OF HOUSEHOLDER 25 TO 64 YEARS; SELECTED YEARS, 1970-1988

Age of householder:	Current Dollars				In 1988 Dollars			
	25-34	35-44	45-54	55-64	25-34	35-44	45-54	55-64
Year:								
1988	$28,408	$36,554	$38,213	$28,903	$28,408	$36,554	$38,213	$28,903
1985	28,085	31,066	33,223	25,557	27,580	34,155	36,527	28,098
1980	19,337	23,627	25,121	19,547	27,762	33,921	36,066	28,063
1970	9,690	11,131	11,413	8,906	29,545	33,938	34,798	27,154

Source: U.S. Bureau of the Census: Current Population Reports (Series P-60, No. 167)

Information on real purchasing power for households in 1990 (1989 income), adjusted for the cost of living, were published by the Census Bureau for family households by age of head. Younger households lost ground.

Inflation affects younger households to a greater degree than older, according to an analysis by the Federal Reserve Bank of San Francisco. Differences in the portfolios and programs designed to assist older Americans in inflation indexed programs are the major factors in this difference, which is particularly marked in periods of high inflation.

A COMPARISON OF FAMILY HOUSEHOLD INCOME IN 1989 VS. 1988 MEASURED IN 1989 DOLLARS

	1989		1988	Real Income:
	Number (thous.)*	Median Income	Median Income (1989 $)	% Change 1989/88
Family households	66,090	$34,213	$33,742	1.4%
Age of householder (years)				
15 to 24	2,853	17,064	17,612	-3.1
25 to 34	14,854	30,873	30,954	-0.3
35 to 44	16,694	40,202	40,711	-1.3
45 to 54	11,712	46,101	44,225	4.2
55 to 64	9,251	37,643	36,868	2.1
65 and over	10,726	23,083	22,751	1.5

* Number as of March 1990; income in 1989.

Source: U.S. Bureau of the Census: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

Household (continued)

As previously discussed in the data on household population, there are a number of classifications of households of significance to marketers, as their needs and purchasing power vary considerably. Following is a summary for households by type with baby-boomer heads, including number and median income.

HOUSEHOLDS BY TYPE WITH HOUSEHOLDERS AGE 25 TO 44 YEARS AND MEDIAN INCOME: 1990

	Number (thous.)	% of All Households	Median Income
Total listed below	41,027	100.0%	
Family households	31,547	76.9	$35,975
Married couple	24,468	59.6	40,726
Other:			
Male householder*	1,355	3.3	nr
Female householder*	5,725	13.9	15,613
Nonfamily households	9,478	23.1	30,273
Male householder	5,780	14.1	31,528
Female householder	3,698	9.0	27,922

nr not reported
* No spouse present

Source: U.S. Bureau of the Census: Current Population Reports (Series P-60, No. 168; Series P-20, No. 447)

The following table outlines the distribution by income group of households based on age of householder, and also the distribution by age within each income bracket.

In 1990, 21.6% of households classified at age 25 to 44 years had income of $35,000 to $49,999 and 64% of households in this income bracket were age 25 to 44. Households with incomes of $75,000 or more reach a peak among those with heads age 45 to 54, accounting for over a third at this income level. But the pattern changes sharply at 55 to 64.

Household (continued)

MONEY INCOME OF HOUSEHOLDS WITH HOUSEHOLDS, AGE 25 TO 64 YEARS: 1990
(Number in thousands)

	Age 25-44 years						
	Total	25-29	30-34	35-39	40-44	45-54	55-64
All households	41,027	9,423	11,049	10,894	9,661	14,514	12,529
Annual income:							
Under $25,000	14,052	4,194	4,003	3,295	2,560	3,858	5,053
$25,000 to $34,999	7,502	1,981	2,096	1,897	1,528	2,029	1,947
$35,000 to $49,999	8,874	1,816	2,482	2,499	2,077	2,884	2,123
$50,000 to $74,999	7,111	1,097	1,738	2,137	2,139	3,143	1,927
$75,000 to $99,999	2,137	224	480	624	809	1,432	755
$100,000 & over	1,351	111	250	442	548	1,168	724
Median income:	na	$27,308	$31,959	$36,162	$40,041	$41,523	$30,819
Mean income	na	31,145	36,199	41,672	46,857	49,822	40,112
Married couple households	24,468	4,846	6,539	6,859	6,224	9,471	7,844
Annual income:							
Under $25,000	5,118	1,547	1,499	1,198	874	1,374	2,043
$25,000 to $34,999	4,456	1,137	1,330	1,129	860	1,163	1,276
$35,000 to $49,999	6,318	1,165	1,808	1,877	1,468	2,024	1,624
$50,000 to $74,999	5,688	777	1,335	1,780	1,796	2,626	1,596
$75,000 to $99,999	1,788	167	384	517	720	1,274	672
$100,000 & over	1,100	53	183	358	506	1,010	633
Median income:		$32,612	$38,194	$43,352	$48,808	$51,132	$40,376
Mean income		36,117	42,133	48,821	56,440	59,305	48,873

Percent Distribution of Households By Income

	Age 25 to 44 Years					45-54	55-69
All households	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Income levels:							
Under $25,000	34.3	44.5	36.2	30.2	26.5	26.6	40.3
$25,000 to $34,999	18.3	21.0	19.0	17.4	15.8	14.0	15.5
$35,000 to $49,999	21.6	19.3	22.5	22.9	21.5	19.9	16.9
$50,000 to $74,999	17.3	11.6	15.7	19.6	22.1	21.6	15.4
$75,000 to $99,999	5.2	2.4	4.3	5.7	8.4	9.9	6.0
$100,000 & over	3.3	1.2	2.3	4.2	5.7	8.0	5.8
Total by income group:							
Under $25,000	100.0%*	18.3%	17.4%	14.3%	11.2%	16.8%	22.0%
$25,000 to $34,999	100.0	17.2	18.3	16.5	13.3	17.7	17.0
$35,000 to $49,999	100.0	13.1	17.9	18.0	15.0	20.7	15.3
$50,000 to $74,999	100.0	9.0	14.3	17.5	17.6	25.8	15.8
$75,000 to $99,999	100.0	5.2	11.1	14.4	18.7	33.1	17.5
$100,000 & over	100.0	3.4	7.7	13.7	16.9	36.0	22.3

na not available

* The base numbers for this column include all households with heads age 25 to 64 years in each income bracket. Household counts are as of March 1990; income in 1989.

Source: U.S. Bureau of the Census: Current Population Survey, March 1990 (Unpublished Data)

Household (continued)

Income progression indicated in current projections on economic growth may be considerably slower in the 1990s than in the 1980s. Not only are changes underway in job/earnings growth, with the elimination of high-paying blue-collar jobs as manufacturing plants close, and of high-paying professional/ managerial jobs as companies down-size. But changes in household composition and in lifestyles (covered in previous pages) are also factors in lowering household income.

Married-couple families have the highest median income--$41,708 in 1989 vs. the overall average of $33,019 for all households with heads under 65 years of age. But their share of households is diminishing, falling from 70.5% of the total in 1970, to 60.8% in 1980, down to 56% in 1990. Divorces and postponement of marriage have resulted in faster growth in single-parent households and nonfamily households, including people living alone. Women to an increasing extent are the household breadwinners, and as previously noted their earnings remain considerably below that of their male counterparts.

The changing composition of the U.S. population by race and Hispanic origin is also a factor in income distribution. Non-white households are registering faster growth than whites, and in some metropolitan markets are now the dominant group. While the median incomes of non-white households have been growing, they are still considerably below that of white households, on average. (Figures are not available for the fastest growing non-white population group--the Asiatics).

Non-white households are, on average, larger than white households, particularly Hispanic, and have more members under 18 years of age.

MEDIAN HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER 25 TO 64 YEARS, RACE AND HISPANIC ORIGIN: 1990

Age of Householder:	25 - 34		35 - 44		45 - 54		55 - 64	
	Number	Median Income	Number	Median Income	Number	Median Income	Number	Median Income
White households	17,137	$31,395	17,395	$39,502	12,404	$43,667	10,862	$32,665
% change 1990/88	-1.4%	9.0%	5.8%	8.3%	7.4%	10.5%	- 3.7%	11.0%
% of 1990 total households*	83.7%		84.6%		85.5%		86.7%	
Black households	2,625	$18,744	2,456	$26,134	1,606	$25,894	1,395	$16,207
% change 1990/88	0.9%	16.3%	8.4%	23.3%	2.5%	14.6%	5.0%	6.0%
% of 1990 total households*	12.8%		11.1%		11.1%		11.1%	
Hispanic origin households**	1,721	$22,016	1,405	$26,084	930	$27,293	644	$25,475
% change 1990/88	0.5%	9.3%	4.8%	15.3%	15.0%	14.6%	-2.9%	36.9%
% of 1990 total households*	8.4%		6.8%		6.4%		5.3%	

* Total is households in each age group, including races not separately listed.

**Persons of Hispanic origin may be of any race.

Note: Number of households is as of March 1990; median income as of 1989, with comparisons made in current dollars.

Source: U.S. Bureau of the Census: Money Income and Poverty Status in the United States 1989 (Series P-60, No. 168)

Household (continued)

SIZE OF HOUSEHOLDS WITH HOUSEHOLDER AGE 25 TO 64 YEARS, BY RACE AND HISPANIC ORIGIN: 1990
(Average members per household)

Age of householder:	25-29	30-34	35-39	40-44	45-54	55-64
All households						
All members	2.61	3.06	3.32	3.32	2.95	2.34
Under age 18	.83	1.27	1.45	1.20	.60	.20
White households						
All members	2.58	3.05	3.31	3.29	2.90	2.27
Under age 18	.78	1.24	1.45	1.19	.56	.15
Black households						
All members	2.75	3.16	3.31	3.33	3.14	2.73
Under age 18	1.17	1.53	1.46	1.18	.81	.49
Hispanic households						
All members	3.54	3.85	4.23	3.97	3.62	2.89
Under age 18	1.40	1.78	2.13	1.61	1.01	.48

Compared with 1985, the buying power of baby boomers will nearly double by year 2000, according to an analysis by The Conference Board's Consumer Research Center and, on a constant dollar basis, they will represent almost half of all households earning $50,000 and up; 42% of aggregate household income will be accounted by those with heads age 35 to 49 by year 2000, compared with 34% in 1985.

AGGREGATE HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER: 1985, 2000
(Constant 1984 dollars in billions)

	1985		2000	
	Income	%	Income	%
Total, all households	$2,383.5	100%	$3,668.0	100%
Householders' age				
Under 35	614.4	26	682.5	19
35 - 49	816.3	34	1,537.0	42
Over 50	952.8	40	1,448.5	39

* Income measured in constant 1984 dollars

Source: The Conference Board

SHARE OF HOUSEHOLDS WITH ANNUAL INCOME OF $50,000 AND OVER BY AGE OF HOUSEHOLDER: 1985, 2000

	1985	2000
Households (millions)*	11.1	25.3
Percent	100.0%	100.0%
Householder age		
Under 35	15.9	14.3
35 - 49	42.7	48.5
35 - 39	13.9	14.5
40 - 44	14.9	17.1
45 - 49	13.9	16.9
50 and over	41.4	37.2

*Households with income of $50,000 and over measured in constant 1984 dollars.

Source: The Conference Board

HOUSEHOLD WEALTH AND ASSET OWNERSHIP

In December 1990, the U.S. Bureau of the Census issued a report on estimated wealth of U.S. households in 1988. Net worth in the report is the value of covered assets less liabilities. Covered assets include interest-bearing assets, stocks and mutual fund shares, real estate, own business, mortgages held by sellers, and motor vehicles. Liabilities include debts secured by any asset, credit card or store bills, bank loans and other unsecured debts. Not included in coverage are equities in pension plans, cash surrender value of life insurance policies, or the value of jewelry, home furnishings, clothing, etc.

The decline in the value of real estate since 1988 would be a factor to keep in mind in evaluating current household wealth, as well as a rise in the value of some interest bearing assets affected by the decline in interest rates. Despite changes in wealth levels, the report provides interesting comparisons on relative levels by age of householder.

A "life-cycle" pattern generally prevails in income and net worth, increasing to age 64, then declining (overall, but not among the high-income elderly). The composition of net worth differs by age of householder, home equity being the major asset holder for the under 45 age group, but somewhat less important for older households in both the 1988 and 1984 studies.

The following table shows median net worth by age of householder, and the distribution of households by monthly household income quintile. Householders age 35 to 44 in the highest fifth of monthly household income had a median net worth or $88,293 in 1988 compared with a median of $848 for householders of this age at the lowest income level. Of the total householders age 35 to 44 covered (19,916) 11.4% were in the lowest income group; 27.6% in the highest.

MEDIAN NET WORTH BY AGE OF HOUSEHOLDER AND MONTHLY HOUSEHOLD INCOME QUINTILE: 1988

(Number of households in thousands)

		Age of Householder (years)				
	Total	Under 35	35-44	45-54	55-64	65 & over
All households	91,554	25,379	19,916	13,613	13,090	19,556
Median income	$ 1,983	$ 2,000	$ 2,500	$ 2,604	$ 2,071	$ 1,211
Median net worth	$35,752	$ 6,078	$33,183	$57,466	$80,032	$73,471
Excluding home equity	$ 9,840	$ 3,258	$ 8,993	$15,542	$26,396	$23,856
Net worth by income quintile*						
Lowest quintile:						
Households	18,299	4,642	2,270	1,630	2,467	7,290
Median net worth	$ 4,324	$ 652	$ 848	$ 2,803	$16,545	$25,220
Excluding home equity	1,152	448	441	897	1,541	3,536
Second quintile:						
Households	18,253	5,460	3,112	1,894	2,407	5,380
Median net worth	$19,694	$ 2,551	$7,536	$17,159	$51,641	$76,050
Excluding home equity	5,454	1,823	2,345	4,046	13,319	28,168

(continued)

MEDIAN NET WORTH BY AGE OF HOUSEHOLDER AND MONTHLY HOUSEHOLD INCOME QUINTILE: 1988

(Number of households in thousands)
(continued)

		Age of Householder (years)				
	Total	Under 35	35-44	45-54	55-64	65 & over
Third quintile:						
Households	18,378	6,186	4,007	2,325	2,480	3,380
Median net worth	$28,044	$ 6,440	$20,008	$38,295	$84,627	$141,811
Excluding home equity	8,418	3,393	5,045	9,082	27,627	57,026
Fourth quintile:						
Households	18,310	5,694	5,025	3,049	2,583	1,959
Median net worth	$46,235	$15,420	$39,983	$65,794	$96,066	$201,562
Excluding home equity	14,376	6,933	11,539	18,809	36,531	100,480
Highest quintile:						
Households	18,314	3,397	5,502	4,715	3,152	1,548
Median net worth	$111,770	$37,817	$88,293	$130,867	$198,987	$343,015
Excluding home equity	40,688	16,572	30,776	45,799	91,888	208,789

* Quintile upper limits for 1988 were: lowest, $939; second, $1,699; third, $2,568; fourth, $3,883.

Source: See below.

Net worth is highest among married-couple households with householders over age 54--about a third of the married-couple households reported for 1988 and 18.5% of all households. Among all age groups, however, married-couple households register a higher level of wealth than their counterparts in other households.

MEDIAN NET WORTH BY TYPE OF HOUSEHOLD AND AGE OF HOUSEHOLDER

(Number of households in thousands)

Household type & age	Households		Median Monthly	Median Net Worth	
of Householder	Number	% *	Hshld. Income	Total	Excl. Home Equity
Married-couple hshlds.	51,697	56.5%	$ 2,566	$ 57,134	$ 16,293
Less than 35 years	13,357	14.6	2,430	12,041	4,705
35 to 54 years	21,437	23.4	3,179	60,611	16,922
55 to 64 years	8,186	8.9	2,589	120,158	42,737
65 & over	8,736	9.5	1,733	124,419	45,890
Male householder**	14,383	15.7	1,661	13,053	5,454
Less than 35 years	5,592	6.1	1,790	4,959	3,395
35 to 54 years	4,857	5.3	1,999	17,055	6,099
55 to 64 years	1,586	1.7	1,430	34,722	10,862
65 & over	2,346	2.6	1,023	48,883	15,914
Female householder**	25,437	27.8	1,109	13,571	3,633
Less than 35 years	6,430	7.0	1,187	1,378	978
35 to 54 years	7,236	7.9	1,616	10,945	2,936
55 to 64 years	3,336	3.6	1,209	40,796	7,004
65 & over	8,471	9.3	780	47,233	10,693

* Base of all households: 91,554,000 **No spouse present.

Source: U.S. Bureau of the Census: Household Wealth and Asset Ownership: 1988 (Series P-70, No. 22)

HOUSEHOLD WEALTH AND ASSET OWNERSHIP

DISTRIBUTION OF NET WORTH AND ASSET TYPE BY AGE OF HOUSEHOLDER AND ASSET TYPE: 1988

		Age of Householder (years)				
	Total	Under 35	35-44	45-54	55-64	65 & over
Total net worth	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Interest-earning assets:						
At financial institutions	14.1	10.8	9.0	9.4	12.0	22.4
Other	4.2	2.8	2.5	2.7	3.7	6.8
Checking accounts	0.6	1.2	0.6	0.5	0.5	0.5
Stocks/mutual fund shares	6.5	4.3	5.3	5.2	7.0	8.2
Own home	43.1	45.1	49.2	43.2	41.0	40.4
Other real estate	4.3	5.2	5.2	4.9	5.0	2.6
Vehicles	5.8	15.6	7.6	5.7	4.7	3.1
Business or profession	8.8	14.6	12.0	11.9	9.4	3.0
U.S. savings bonds	0.6	0.5	0.4	0.4	0.8	0.6
IRA or KEOGH accounts	4.2	3.4	4.2	0.4	6.4	2.8
Other financial investments	3.0	1.5	1.7	3.9	3.1	3.5
Unsecured liabilities	-2.9	-11.8	-4.3	-3.2	-1.7	-0.5

Source: U.S. Bureau of the Census: Household Wealth and Asset Onwership: 1988 (Series P-70, No. 22)

Boomers' wealth is not growing as fast as their parents' did in their day, and the slow growth will probably continue. According to an analysis by Richard Michel, economist at the Urban Institute, Washington, D.C., those who are currently ages 32 to 41 may have average wealth of $71,000 by 1993 vs. $88,000 for their parents at the same age. However, the better-educated and those with high-paying professional and managerial jobs are doing better now, and will continue to do so.

Because of the wealth accumulated by parents, many boomers stand to inherit wealth to an unprecedented degree.

SPENDING PATTERNS

In the midst of a recession, and a longer period marked by upheavals in industry--consolidations, downsizing, mergers, and turmoil in the housing market--many predictions on the spending power and spending patterns of boomers seem overblown, since the more affluent, older members as well as those age 25 to 35 have been affected by the slowdown. After years of sharp increases in the value of homes and rising incomes, plans to buy and "to have it all" may be constrained as incomes are reduced by inflation and taxes which continue to rise (contrary to the typical pattern in times of recession) and jobs are lost. All this when many boomers have children about to enter colleges with soaring tuition costs, or have new babies, or parents who need care, and probably a low level of savings.

Marketers have tried to steer a course through the boomer maze by organizing them into sub-classifications representing target markets based on perceived lifestyles, attitudes, or values. Case stories about households or consumers that neatly fit into these designations have been widely published. Each marketer, it seems, must draw on the array of information on demographics, and weave in current economic developments and local market intelligence to find niches, for the boomer market has many targets, and each age bracket sets new profiles as it moves along on its own course up the age scale.

Households (continued)

A valuable overview of household spending by age of householder (as well as other characteristics such as income levels, regions of the U.S., and household size) is provided in the Consumer Expenditure Survey program, begun in 1979, by the Department of Labor, Bureau of Labor Statistics. This provides a continuous flow of information on the buying habits of American consumers, used for periodic revision of the Consumer Price Index as well as by business.

The survey, which is conducted by the Bureau of the Census for the BLS, consists of two components: a diary or record keeping survey, and an interview survey--each among a representative sample of consumer units (households).

Following are results for 1989, showing the pattern in spending by age of householder. It should be noted that the expenditures are averages for all consumer units (households) within each age group, regardless of whether or not all households in the group purchased each item or service. An individual household within a group may spend more or less than the average, or not make the purchase. The total dollars reported is divided by the total households in the group to arrive at the average.

The extent to which households at various age levels are above or below average in expenditures will be noted in the second part of the following table. It is apparent that households with heads age 35 to 44 and those in the 45-to-54 age bracket are generally the biggest spenders--and the former now represent the leading edge of the boomers, poised to enter the next group of spenders. The 35-to-44 age group are the largest households, on average, with 3.3 members, followed by the 45-to-54 age group, averaging 3.0 members in 1989. These two groups have the highest average incomes.

Marketers can glean intelligence on the overall relative importance to each age group of specified products or services, along with average characteristics of households within each group. NOTE: The complete BLS reports have much more detail within the item classifications summarized below.

AVERAGE ANNUAL EXPENDITURES FOR MAJOR CLASSIFICATIONS
BY AGE OF HOUSEHOLDER: 1989
(Number of households in thousands)

	Total	Under 25	25-34	35-44	45-54	55-64	65 & Over
Consumer units, number	95,818	7,633	20,855	20,436	14,566	12,005	20,323
Characteristics:							
Income before taxes	$31,308	$14,863	$30,655	$40,915	$41,968	$34,777	$19,690
Avg. no. of persons	2.6	1.8	2.7	3.3	3.0	2.3	1.8
Percent homeowner	63%	8%	44%	69%	74%	82%	76%
Avg. annual expenditures							
for listed items	$27,810	$16,577	$26,683	$35,589	$36,073	$28,617	$18,967
Food	4,152	2,504	3,912	5,227	5,361	4,424	2,912
At home	2,390	1,285	2,156	2,978	2,980	2,611	1,907
Away from home	1,762	1,219	1,759	2,249	2,381	1,813	1,004
Alcoholic beverages	284	310	373	324	296	373	136
Housing*	8,609	4,783	8,923	10,932	10,692	8,161	6,168
Hshld furn. & equip.	1,086	575	1,108	1,341	1,511	1,057	717
Apparel and services	1,582	1,137	1,553	2,147	2,011	1,579	902

(continued)

SPENDING PATTERNS

Households (continued)

AVERAGE ANNUAL EXPENDITURES FOR MAJOR CLASSIFICATIONS BY AGE OF HOUSEHOLDER: 1989
(Number of households in thousands)
(continued)

	Total	Under 25	25-34	35-44	45-54	55-64	65 & Over
Av. annual expend. (cont'd.)							
Transportation**	5,187	3,977	5,063	6,595	6,808	5,351	3,095
Vehicle purchases (net)	2,291	2,138	2,233	3,020	2,854	2,288	1,274
Health care	1,404	348	913	1,356	1,389	1,814	2,135
Entertainment***	1,424	925	1,383	2,081	1,849	1,371	719
Personal care products and services	366	256	351	436	456	405	277
Reading	157	79	137	189	191	174	138
Education	367	665	229	494	734	256	70
Tobacco product/supplies	261	205	251	317	336	323	147
Miscellaneous	643	263	578	886	860	664	439
Cash contributions	900	120	500	913	1,391	1,149	1,091
Personal ins., pensions, Social Security	2,472	1,006	2,527	3,692	3,700	2,673	740

EXPENDITURES BY HOUSEHOLDER AGE AS A PERCENT OF ANNUAL ITEM'S TOTAL AVERAGE

	Total	Under 25	25-34	35-44	45-54	55-64	65 & Over
Av. annual expenditures for listed items	100.0	59.6	95.9	128.0	128.7	102.9	68.2
Food	100.0	60.3	94.2	125.9	129.1	106.5	70.1
At home	100.0	53.8	90.2	124.6	124.7	109.2	79.8
Away from home	100.0	69.2	99.7	127.6	135.1	102.9	57.0
Alcoholic beverages	100.0	109.1	131.3	114.1	104.2	96.1	47.9
Housing*	100.0	55.5	103.6	127.0	124.2	94.8	71.6
Household furn. and equipment	100.0	52.9	102.0	123.5	139.1	97.3	66.0
Apparel and services	100.0	71.9	98.2	135.7	127.1	99.8	57.0
Transportation**	100.0	76.7	97.6	127.1	131.2	103.2	59.7
Vehicle purchases (net)	100.0	93.3	97.5	131.8	124.6	99.9	55.6
Health care	100.0	24.8	65.0	96.6	98.9	129.2	152.1
Entertainment***	100.0	64.9	97.1	146.1	129.8	96.3	50.5
Personal care/services	100.0	69.9	95.9	119.1	124.6	110.6	75.7
Reading	100.0	50.3	87.3	120.4	121.7	110.8	87.9
Education	100.0	181.2	62.4	134.6	200.0	69.8	19.1
Tobacco product/supplies	100.0	78.5	96.2	121.4	128.7	123.7	56.3
Miscellaneous	100.0	40.9	89.9	137.8	133.7	103.3	68.3
Cash contributions	100.0	13.3	55.5	101.4	154.5	127.7	121.2
Insurance, SS, etc.	100.0	40.7	102.2	149.3	149.7	108.1	29.9

*Housing includes shelter costs (owned and rented), utilities, household operation, supplies and equipment

**Transportation includes net purchases of vehicles; gas, oil and other vehicle expenses; public transportation.

***Included spending for audio/video equipment.

Source: U.S. Bureau of Labor Statistics:
Consumer Expenditures in 1989 (Nov. 1990 release)

SPENDING PATTERNS

Singles

The section on Living Arrangements in this FACT FILE reported on the increase in the 1980s in men and women living alone. The BLS report on average annual expenditures in 1989 included separate information for single men and single women by income group.

Following is selected information for singles with annual income of $30,000 and over (1988-89 averages). These represented 22.1% of the 10.6 million single males and 9.7% of the 12.9 million single females for which the BLS obtained complete income information.

AVERAGE ANNUAL EXPENDITURES FOR MAJOR CLASSIFICATIONS
BY INCOME GROUP: 1988-1989

	Single Males			Single Females		
Income Group:	$30,000- 39,999	$40,000- 49,999	$50,000- & over	$30,000- 39,999	$40,000- 49,999	$50,000- & over
Number (thousands)	1,059	553	737	743	243	260
Av. income after taxes	$29,438	$37,521	$70,488	$29,498	$37,053	$55,387
Av. age (years)	38.3	39.1	44.3	45.3	46.5	49.8
% distribution:	100%	100%	100%	100%	100%	100%
Homeowner:						
With mortgage	37	38	50	39	49	69
Without mortgage	6	8	16	18	14	15
Renter	58	53	34	43	36	16
Education:						
College	72	83	84	83	85	81
Av. annual expend. for covered items*	$26,499	$33,247	$49,360	$27,453	$31,064	$43,866
Food	2,966	3,450	4,703	2,857	3,655	3,243
At home	1,030	1,276	1,193	1,346	1,348	1,701
Away from home	1,936	2,183	3,510	1,511	2,306	1,542
Alcoholic bev.	569	604	1,017	284	376	237
Housing**	8,358	10,478	14,800	9,358	10,331	14,959
Household furn./equip.	999	1,098	1,535	1,275	1,364	2,209
Apparel & services#	1,081	1,539	1,959	2,490	3,133	4,688
Men's apparel	554	843	954	139	249	654
Women's apparel	25	9	4	1,464	1,733	3,047
Footwear	86	169	186	379	456	137
Transportation**	5,227	5,912	8,728	3,712	3,672	5,066
Vehicle purchases (net)	2,267	2,487	3,474	975	1,010	2,263
Health care	726	671	1,419	1,040	1,249	1,464
Entertainment	1,282	2,460	2,988	1,140	1,288	2,434
Audio/video equip.	489	663	670	356	359	1,075
Reading	168	219	289	361	714	403
Tobacco products & supplies	250	105	181	101	155	217
Addenda:						
Gifts: jewelry/watches	117	148	347	30	75	58
Clothing	85	113	116	413	497	1,457

* Includes expenditures not shown in this table. See complete report. Expenditures are averages per single in each income group in 1989, including singles who may not have had any expenditure for a specific item. **See footnote* on previous table.

#Total includes products not separately listed (jewelry, watches, sewing materials, etc. and services (laundry, dry cleaning, etc.). Includes gifts, which are also reported separately in the Addenda above.

Source: U.S. Bureau Labor Statistics: Consumer Expenditure Survey: 1988-89

FACT FILE SPECIAL EDITIONS

Statistical Analysis of Retailing: A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

Merchandise Sales By Retail Outlet: Based on U.S. Census Bureau data issued in 1990, this special study covers sales in a wide range of product lines using retail outlets, including apparel, footwear, sporting goods, home furnishings, food and drugs. Sales are detailed, and trends analyzed on market shares held by major outlet types, using Census of Retail Trade data, which is published only once every five years. A must for marketing and merchandising people.

The Impact of a Maturing Market: Covers the implications for marketers of the changing lifestyle of an aging population, focusing on market segments within the mature market. The baby boomers now mostly in their 30s and 40s are an important aspect of this market. Many are confronting new developments affecting their careers and income prospects as the country enters a recession. The older population is setting a new course in lifestyles, with improvement in income, health and longevity. Available data on current developments and outlook for segments within the 30-plus U.S. population are covered.

SCHEDULE OF ADDITIONAL FACT FILES

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An annual overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Dresses and Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's, and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls'): An annual statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections, and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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Men's Clothing and Furnishings

FAIRCHILD FACT FILE

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E.B. Gold, Manager
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MEN'S CLOTHING AND FURNISHINGS

EXECUTIVE SUMMARY

1. Purchases of men's suits, sport coats, and dress shirts fell in both unit and dollar volumes in 1990 versus 1989, while pants/slack purchases rose, according to the KSA/NPD Purchase Panel.

Retail Purchases of Menswear: 1990

	Units (thous.)		Dollars (thous.)	
	1990	% Change 1990/89	1990	% Change 1990/89
Suits	17.3	-8.0%	$2,836.8	-13.3%
Sport coats	13.6	-11.7	1,153.0	-7.8
Pants/slacks	167.8	2.6	3,561.5	8.3
Dress shirts	171.5	-1.7	2,478.8	-2.4

2. Specialty stores took the highest share of retail dollars spent on suits and sport coats, while department stores ranked highest for purchases of pants/slacks and dress shirts, according to the KSA/NPD Purchase Panel.

3. The U.S. Census Bureau reported declines in the production of men's and boys' suits, tops, bottoms, and coats, jackets, and vests in 1990 versus 1989. The only increase occurred in the production of underwear and nightwear.

4. In 1990, product shipments of men's and boys' suits, and coats, jackets, vests, declined 12.3% and 9.2% respectively, while shipments of men's and boys' tops and bottoms rose 3.3% and 4.2% respectively, compared to 1989, according to the U.S. Census Bureau.

5. According to the Bureau of Labor Statistics, consumer prices of all men's apparel rose 3.4% in 1990 versus 1989. The increase in wool prices was passed along to consumers, especially in the suit category, where prices jumped 4.5%. Factory prices of men's and boys' wear also increased in March 1991 vs. March 1990, and for full year 1989 versus 1988.

6. Imports of men's and boys' apparel slowed in 1990, due to a soft U.S. retail market. In 1989, imports accounted for 43% of the new domestic supply of slacks, 40.3% of suit-type coats, 35.5% of shirts, and 35.4% of suits, as reported by the U.S. Census Bureau.

7. According to the Commerce Department, U.S. exports of men's and boys' apparel have grown in 1990 over previous years, with Japan, Italy and Britain as three of the leading recipients of American-made menswear.

MARKET TRENDS

The men's clothing industry was plagued by a weak economy in 1990, causing sales to become flat, after years of growing at an annual rate of 6% to 8%. A lack of consumer confidence, and a rise in both factory and consumer prices, were problems contributing to this slowdown. Wall Street analysts see signs of a pick-up in 1991, however, and believe that as the economy improves retailers can expect a gradual increase in their sales of menswear. Strong performances are expected to continue for such specialty stores as the Gap and the Limited, and for such discounters as Wal-Mart.

Discounters and off-price stores, in general, have been increasing their market share of menswear sales, often at the expense of department stores who have had to reduce prices regularly in order to compete. Specialty stores have also become more competitive, and have captured a large share of sales, especially in the suit category. These stores have special appeal to a younger male consumer, who is considered to be most fashion-conscious, and most likely to keep up with the latest fashion trends. It is the men included in the older age groups, however, who are expected to grow in number in the future. According to the Census Bureau, the number of men aged 35 to 54 is projected to rise 29% by the year 2000, while those 55 to 64 years old, grow by 14.4%. As these maturing baby boomers increase in number, and begin to earn higher incomes, they should become important target markets for both retailers and manufacturers of menswear.

There has been a general shift away from formal, toward more informal dressing by men, according to Daily News Record. Men are becoming more receptive to new ideas and styles, which more closely parallel their casual lifestyles. Sportswear apparel has been crossing over into the tailored wear category, as sportswear such as t-shirts, denim and chambray sport shirts, and jeans are being worn with tailored suits and sport coats. Tailored apparel is also being made in softer colors, such as copper, azure blue, olive and taupe, instead of just in the typical navy and gray. Lighter weight fabrics are also being used, especially microfiber, an upgraded polyester, which has become one of the hottest fabrics of the category, and which will become a permanent fixture in the lines of many manufacturers, according to Daily News Record.

By moving into more of a sportswear mode, suits are becoming more than a work uniform. Double-breasteds have become top sellers, as have athletic-cut suits, and those made in lighter fabrics and colors. The soft suit offers versatality to men, who can wear the jacket or trousers separately or as a total suit, thus cutting into sales of suit separates. Sport coat styles have also become more casual, and the introduction of the sweater coat was responsible for a pick-up in the category.

The new "dress down dress shirt", which is a more casual-type dress shirt, has caused a revolution of sorts in the industry, according to Daily News Record. These shirts have been teamed up with suits and sport coats, allowing a more relaxed look. They are offered in a wide range of colors, although the white dress shirt still remains popular.

The dress trousers category has been facing competition by the strong sales of suits, jeans and walking shorts. Men are also going back to basics in underwear, and manufacturers say that the economic downturn has spurred sales of boxers and briefs. Although sales were down in 1990, a turnaround is expected in 1991.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

A complete census of all U.S. manufacturing plants in the U.S. (with one or more paid employees) is compiled every five years by the U.S. Bureau of the Census. Results from the latest census (1987) covering operations in the men's furnishings industry are covered below, and compared to 1982 census figures in categories where SIC classifications have not changed under the new Harmonized Tariff system. In intercensal periods, the Bureau conducts annual surveys of manufacturing. Statistics from 1988 were obtained from the 1988 Annual Survey of Manufactures.

In 1988, the number of establishments producing menswear dropped for all reported apparel categories, except hosiery, underwear/nightwear and knit underwear mills, compared to 1987 totals.

In 1988, there were fewer establishments producing menswear in the categories listed.

Men's & Boys' Suits & Coats (SIC 2311*)

	1988	1987	1982	% Change 1988/87
Number of companies	na	291	443	--
Number of establishments, total**	323	337	529	-4.2%
Number with 20 or more employees	233	236	344	-1.3
Employees, total (thous.)	60.0	55.2	75.2	8.7
Production workers (thous.)	51.7	48.1	65.0	7.5
Payroll (mil. $)	$ 877.5	$ 779.0	$ 878.2	12.6
Value added by manufacture# (mil. $)	$1,864.6	$1,761.2	$1,681.2	5.9
Value of industry shipments ## (mil. $)	$3,169.4	$2,863.3	$3,061.5	10.7
Capital expenditures, new (mil. $)	$ 28.5	$ 29.1	$ 24.6	-2.1

Men's & Boys' Separate Trousers (SIC 2325*)

	1988	1987	% Change 1988/87
Number of companies	na	312	--
Number of establishments, total**	475	484	-1.9%
Number with 20 or more employees	403	413	-2.4
Employees, total (thous.)	91.9	93.3	-1.5
Production workers (thous.)	80.8	82.3	-1.8
Payroll (mil. $)	$1,129.6	$1,102.5	2.5
Value added by manufacture# (mil. $)	$3,108.1	$3,273.2	-5.0
Value of industry shipments ## (mil. $)	$5,767.3	$6,013.6	-4.1
Capital expenditures, new (mil. $)	$ 59.3	$ 74.5	-20.4

(continued)

GENERAL INDUSTRY STATISTICS

Waterproof Outerwear (SIC 2385*)

	1988	1987	1982	% Change 1988/87
Number of companies	na	60	98	--
Number of establishments, total**	475	484	112	-3.0%
Number with 20 or more employees	403	413	76	-10.3
Employees, total (thous.)	91.9	93.3	9.3	-6.3
Production workers (thous.)	80.8	82.3	8.0	-9.4
Payroll (mil. $)	$1,129.6	$1,102.5	$101.1	12.9
Value added by manufacture# (mil. $)	$3,108.1	$3,273.2	$246.0	-8.7
Value of industry shipments ## (mil. $)	$5,767.3	$6,013.6	$449.2	-4.6
Capital expenditures, new (mil. $)	$ 59.3	$ 74.5	$ 4.6	-6.3

Men's & Boys' Shirts (SIC 2321*)

	1988	1987	% Change 1988/87
Number of companies	na	460	--
Number of establishments, total**	575	601	-4.3%
Number with 20 or more employees	447	470	-4.9
Employees, total (thous.)	77.4	76.7	0.9
Production workers (thous.)	68.0	66.6	2.1
Payroll (mil. $)	$ 915.8	$ 868.9	5.4
Value added by manufacture# (mil. $)	$2,023.6	$2,185.4	-7.4
Value of industry shipments ## (mil. $)	$4,013.3	$4,075.0	-1.5
Capital expenditures, new (mil. $)	$ 53.3	$ 51.7	-3.1

Underwear (SIC 2322*)

	1988	1987	% Change 1988/87
Number of companies	na	74	--
Number of establishments, total**	99	96	3.1%
Number with 20 or more employees	77	76	1.3
Employees, total (thous.)	17.1	17.2	-0.6
Production workers (thous.)	16.1	16.2	3.5
Payroll (mil. $)	$ 207.2	$ 200.1	-3.7
Value added by manufacture# (mil. $)	$ 556.6	$ 577.8	-0.09
Value of industry shipments ## (mil. $)	$1,044.5	$1,045.4	-1.5
Capital expenditures, new (mil. $)	$ 11.6	$ 7.6	52.6

Knit Underwear Mills (SIC 2254*)

	1988	1987	1982	% Change 1988/87
Number of companies	na	58	72	--
Number of establishments, total**	66	63	84	4.8%
Number with 20 or more employees	46	44	61	4.5
Employees, total (thous.)	18.3	19.3	22.3	-5.2
Production workers (thous.)	16.8	17.4	20.0	-3.4
Payroll (mil.$)	$ 276.1	$ 275.7	$ 232.3	0.1
Value added by manufacture# (mil.$)	$ 502.9	$ 516.5	$ 446.2	-2.6
Value of industry shipments## (mil.$)	$1,064.1	$1,058.1	$ 829.9	0.6
Capital expenditures, new (mil.$)	$ 41.6	$ 27.7	$ 9.3	50.2

GENERAL INDUSTRY STATISTICS

Neckwear (SIC 2323*)

	1988	1987	1982	% Change 1988/87
Number of companies	na	139	165	--
Number of establishments, total**	131	142	170	-7.7%
Number with 20 or more employees	84	84	91	0
Employees, total (thous.)	7.5	7.4	6.7	1.4
Production workers (thous.)	6.2	6.2	5.3	0
Payroll (mil.$)	$ 123.0	$ 117.0	$ 82.2	5.1
Value added by manufacture# (mil.$)	$ 258.0	$ 251.4	$183.8	2.6
Value of industry shipments## (mil.$)	$ 499.9	$ 475.6	$335.0	5.1
Capital expenditures, new (mil.$)	$ 4.2	$ 6.2	$ 4.9	-32.3

Hosiery (SIC 2252*)

	1988	1987	1982	% Change 1988/87
Number of companies	na	375	376	--
Number of establishments, total**	428	426	420	0.5%
Number with 20 or more employees	287	276	263	0.5
Employees, total (thous.)	39.1	36.5	32.6	7.1
Production workers (thous.)	34.9	32.5	28.8	7.4
Payroll (mil.$)	$ 511.3	$ 467.8	$ 326.5	9.3
Value added by manufacture# (mil.$)	$1,024.3	$ 960.1	$ 617.3	6.7
Value of industry shipments## (mil.$)	$2,112.5	$1,952.1	$1,443.4	8.2
Capital expenditures, new (mil.$)	$ 51.5	$ 64.6	$ 31.4	-20.3

na not available

* SIC (Standard Industrial Classification) 1987 definitions. (Note revisions by the Census Bureau):

2311 Establishments primarily engaged in manufacturing men's, youth's, and boys' suits, coats and overcoats, as well as tailored dress and sport coats. Establishments primarily engaged in manufacturing uniforms (military, policemen's, firemen's, etc.) are also included. Those manufacturers engaged primarily in making work and sport garments are not included.

2325 Establishments primarily engaged in manufacturing men's, youths' and boys' separate slacks and trousers. (SIC 2327 has been dropped and in its place, SIC 2325 has been established. SIC 2325 also covers dress slacks, sport trousers and casual cut jeans. Casual cut jeans were formerly classified with work wear under SIC 2328.)

2385 Establishments primarily engaged in manufacturing raincoats from purchased rubberized fabrics and other waterproof outer garments made from such material as pliofilm and cellophane. The industry includes manufacturers of garments for men, women and children.

2321 Comprises establishments primarily engaged in manufacturing men's, youths' and boys' dress and sport shirts. Also includes manufacturers of knit outerwear sports shirts from purchased knit fabric. Does not include work shirts which are classified in SIC 2328. This SIC formerly included nightwear, which under SIC definitions established in 1987, is now included in SIC 2322.

GENERAL INDUSTRY STATISTICS

(footnotes continued)

2322 Includes establishments primarily engaged in manufacturing men's, youths' and boys' underwear and nightwear cut and sewed from purchased woven or knit fabric.

2254 Includes establishments primarily engaged in knitting underwear and nightwear from yarn, or in making them from knit fabric produced in the same mill.

2323 Comprises establishments primarily engaged in manufacturing men's, youths' and boys' neckties, scarfs and mufflers cut and sewed from purchased woven or knit fabric.

2252 Includes mills primarily making men's and boys' hosiery. It includes mills engaged in knitting, dyeing or finishing hosiery, except women's hosiery. In addition to men's and boys' hosiery, the industry makes anklets for women and children, slipper socks, etc. (For more information on Hosiery, please see the Fairchild Fact File: Hosiery/Legwear/Bodywear.)

** Covers manufacturing establishments (plants) only, and each location is separately counted. Not included are separate auxiliary locations serving the plants (i.e. administrative offices, purchasing offices, sales promotion offices, etc.) Information on establishments for 1988 is from the Census Bureau's 1988 County Business Patterns.

Value added by manufacture is derived by subtracting the cost of products bought for resale without further manufacture, the cost of piece goods and other materials, contract work, etc., from the value of shipments, with adjustments for finished product inventories. It avoids duplication in value of production which results from the use of products of some manufacturing establishments as materials by others, and is for most purposes, the best value of measure of individual industries.

Value of industry shipments includes, along with receipts for contract work, all items made by or for each establishment from materials owned by it, and also miscellaneous receipts. It includes both primary and secondary products made in these industries. The value of the primary product alone (men's furnishings) of these industries, plus the value of those products produced by manufacturers classified in other industries, identified as "product shipments", are shown on pages 24-25. Figures are in current dollars, and not adjusted for inflation.

Note: In comparing 1987 value data with 1982, it should be kept in mind that no adjustment has been made for inflation.

Source: U.S. Bureau of the Census:
1987 Census of Manufactures.
1988 Annual Survey of Manufactures

GENERAL INDUSTRY STATISTICS

Employment & Earnings

Annual averages in 1989 and 1990, by the Bureau of Labor Statistics, show declines in employment levels in the men's and boys' suit and coat, shirt, and underwear industries. Preliminary data for April 1991 versus April 1990, also show a drop in the total number of employees, and in the number of production workers in particular, for all reported categories. This drop-off in employment can be attributed to the large quantities of imported menswear products sold in the U.S., as well as the decline in consumer buying of apparel due to a weak economy.

It should be noted that employment and earnings data issued by the Bureau of Labor Statistics and the Census Bureau are not directly compatible due to differences in methodology used by each agency in compiling the figures.

Employment & Earnings of Selected Tailored Wear and Furnishings Industries: 1989, 1990, April 1991

	April	Annual Averages		% Change	
	1991(p)	1990	1989	Annual 1990/89	April 1991/90
Men's & boys' suits & coats (SIC 2311*)					
All employees (thous.)	47.4	49.2	56.0	-12.1%	-6.3%
Production workers (thous.)	39.7	41.5	47.8	-13.2	-6.6
Average weekly earnings	$266.74	$263.11	$256.6	2.5	6.7
Average weekly hours	35.9	35.7	36.1	-1.1	5.3
Average hourly earnings	$ 7.43	$ 7.37	$ 7.1	3.7	1.4
Men's & boys' separate trousers (SIC 2325*)					
All employees (thous.)	82.9	82.8	nc	--	-0.6%
Production workers (thous.)	71.7	71.8	nc	--	-1.4
Average weekly earnings	$217.91	$210.63	nc	--	5.2
Average weekly hours	35.6	35.4	nc	--	7.2
Average hourly earnings	$ 6.15	$ 5.95	nc	--	2.3
Shirts & nightwear (SIC 2321*)					
All employees (thous.)	62.3	62.8	75.1	-16.4%	-8.5%
Production workers (thous.)	53.4	53.2	64.5	-17.5	-7.3
Average weekly earnings	$220.27	$215.16	$213.55	0.8	4.1
Average weekly hours	35.7	36.1	37.4	-3.5	1.7
Average hourly earnings	$ 6.17	$ 5.96	$ 5.71	4.4	2.3
Hosiery (SIC 2252*)					
All employees (thous.)	37.4	38.6	37.4	3.2%	-5.3%
Production workers (thous.)	33.2	34.6	33.9	2.1	-6.2
Average weekly earnings	$261.35	$262.88	$261.8	0.4	6.7
Average weekly hours	36.4	37.6	38.9	-3.3	3.7
Average hourly earnings	$ 7.18	7.01	$ 6.73	4.2	2.9

(continued)

Employment & Earnings (continued)

Employment & Earnings of Selected Tailored Wear & Furnishings Industries: 1989, 1990, April 1991
(continued)

	April	Annual Averages		% Change	
				Annual	April
	1991(p)	1990	1989	1990/89	1991/90
Knit underwear mills (SIC 2254*)					
All employees (thous.)	28.5	27.4	25.1	9.2%	-4.7%
Production workers (thous.)	24.5	23.4	21.2	10.4	-3.9
Average weekly earnings	$272.68	$277.47	$274.33	1.1	0.1
Average weekly hours	36.7	37.7	39.7	-5.0	-0.8
Average hourly earnings	$ 7.43	$ 7.36	$ 6.91	6.5	1.0

(p) preliminary
nc not comparable due to changes in SIC codes.

Source: U.S. Bureau of Labor Statisics:
Employment & Earnings

The Bureau of Labor Statistics has issued employment benchmarks for industries not covered in monthly reports. The counts were as of March, 1984 through 1990. The number of workers employed in the men's and boys' underwear and nightwear industries rose in 1990 compared with 1989. Employment levels fell in all other listed categories, with the biggest decline occurring in the waterproof outerwear industry, where workers totaled 5.7 thousand in 1990, down from 8.0 thousand in 1984.

Employment Benchmarks For Selected Menswear Industries
(In thousands of employees)

	1990	1989	1988	1987	1986	1985	1984
Men's & boys' underwear & nightwear	25.0	21.9	26.5	nr	nr	nr	nr
Men's & boys' neckwear	7.0	7.8	8.2	7.8	7.3	6.9	7.2
Waterproof outerwear	5.7	6.5	6.2	6.2	6.8	8.0	8.0

nr not reported

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings (June 1991)

Industry Concentration

The Bureau of the Census publishes concentration data developed in the Census of Manufactures. This report shows that most companies in the listed menswear industries employed between 50 to 249 employees. The majority of companies producing waterproof outergarments, and men's and boys' neckwear, tended to be smaller, however, employing only 10 to 49 workers.

Overall, the bigger firms, with 250 or more employees, held the greatest share of industry shipments, where those figures are reported.

Industry Concentration (continued)

The Men's Tailored Wear Industry by Employment Size: 1987

	Establishments		Value Added by Manufacture		Industry Shipments	
	Number	%	(Mil. $)	%	(Mil. $)	%
Men's & boys' suits & coats, total	337	100.0%	$1,761.2	100.0%	$2,863.3	100.0%
By establishment size:						
Under 10 employees	73	21.7	18.4	1.0	42.0	1.5
10 - 49 employees	76	22.6	63.9	3.6	134.6	4.7
50 - 249 employees	118	35.0	440.6	25.0	766.4	26.8
250 or more employees	70	20.8	1,238.4	70.3	1,920.5	67.1
Separate trousers & slacks, total	484	100.0	3,273.2	100.0	6,013.6	100.0
By establishment size:						
Under 10 employees	48	9.9	D	--	D	--
10 - 49 employees	74	15.3	77.3	2.4	220.6	3.7
50 - 249 employees	236	48.8	636.2	19.4	1,149.9	19.1
250 or more employees	126	26.0	D	--	D	--
Men's & boys' shirts, total	601	100.0	2,185.4	100.0	4,075.0	100.0
By establishment size:						
Under 10 employees	90	15.0	15.9	0.7	37.3	0.9
10 - 49 employees	158	26.3	183.2	8.4	420.0	10.3
50 - 249 employees	252	41.9	728.3	33.3	1,307.6	32.1
250 or more employees	101	16.8	125.8	57.6	2,310.2	56.7
Men's & boys' underwear & nightwear, total	96	100.0	577.8	100.0	1,045.4	100.0
By establishment size:						
Under 10 employees	15	15.6	10.2	1.8	29.5	2.8
10 - 49 employees	22	22.9	D	--	D	--
50 - 249 employees	31	32.3	174.4	30.2	336.6	32.2
250 or more employees	28	29.2	D	--	D	--
Men's & boys' neckwear, total	142	100.0	251.4	100.0	475.6	100.0
By establishment size:						
Under 10 employees	34	23.9	3.0	1.2	6.3	1.3
10 - 49 employees	57	40.1	42.8	17.0	81.5	17.1
50 to 249 employees	48	33.8	205.6	81.8	387.7	81.5
250 or more employees	3	2.1	D	--	D	--
Waterproof outergarments, total	67	100.0	172.5	100.0	333.0	100.0
By establishment size:						
Under 10 employees	15	22.4	1.0	0.6	5.3	1.6
10 to 49 employees	29	43.3	21.5	12.5	44.7	13.4
50 to 249 employees	14	20.9	40.9	23.7	90.1	27.1
250 or more employees	9	13.4	D	--	D	--

(D) Data withheld to avoid disclosure of individual companies.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

Industry Concentration (continued)

The U.S. Census Bureau gives a break-out of menswear plants by type of operation, for 1987, as shown below.

Employment Size of Plants in the Men's Tailored Wear & Rainwear Industries By Type of Operation: 1987

	Manufacturers		Jobbers		Contractors	
	No.	%	No.	%	No.	%
Suits & coats (incl. boys')						
Plants, total	155	100.0%	29	100.0%	111	100.0%
Number of employees:						
1 - 19	42	27.1	19	65.5	37	33.3
20 - 99	34	21.9	4	13.8	44	39.6
100 or more	79	51.0	6	20.7	30	27.0
Separate trousers & slacks (incl. boys')						
Plants, total	218	100.0	36	100.0	120	100.0
Number of employees:						
1 - 19	40	18.3	13	36.1	17	14.2
20 - 99	47	21.6	13	36.1	52	43.3
100 or more	131	60.1	10	27.8	51	42.5
Waterproof outerwear						
Plants, total	44	100.0	7	100.0	16	100.0
Number of employees:						
1 - 19	19	43.2	5	71.4	4	25.0
20 - 99	11	25.0	2	28.6	8	50.0
100 or more	14	31.8	--	--	4	25.0
Men's & boys' shirts						
Plants, total	295	100.0	51	100.0	178	100.0
Number of employees:						
1 - 19	61	20.7	24	47.1	44	24.7
20 - 99	89	30.2	19	37.3	90	50.6
100 or more	145	49.2	8	15.7	44	24.7

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

GENERAL INDUSTRY STATISTICS

Industry Concentration (continued)

Data for 1988, on the number of plants in listed menswear industries was reported in the 1988 County Business Patterns, and shown below.

Number of Menswear Manufacturing Plants
By Employment Size: 1988

	Number	%
Suits & coats (incl. boys')	323	100.0%
By establishment size:		
Under 20 employees	90	27.9
20 - 49 employees	48	14.9
50 - 99 employees	43	13.3
100 or more employees	142	44.0
Trousers & slacks (incl. boys')	475	100.0
By establishment size:		
Under 20 employees	72	15.2
20 - 49 employees	47	9.9
50 - 99 employees	62	13.1
100 or more employees	294	61.9
Shirts (incl. boys')	575	100.0
By establishment size:		
Under 20 employees	128	22.3
20 - 49 employees	97	16.9
50 - 99 employees	100	17.4
100 or more employees	250	43.5
Underwear & nightwear (incl. boys')	99	100.0
By establishment size:		
Under 20 employees	22	22.2
20 - 49 employees	12	12.1
50 - 99 employees	15	15.2
100 or more employees	50	50.5
Neckwear (incl. boys')	131	100.0
By establishment size:		
Under 20 employees	47	35.9
20 - 49 employees	38	29.0
50 - 99 employees	25	19.1
100 or more employees	21	16.0

Source: U.S. Bureau of the Census:
1988 County Business Patterns

GENERAL INDUSTRY STATISTICS

Plant Capacity Utilization

For the fourth quarter of 1988, men's and boys' suit and coat manufacturers in the U.S. operated at 88% of the preferred rate compared with 93% in 1987. The preferred rate is defined as a level, normally between actual operations and practical capacity, which the manufacturer would prefer not to exceed due to cost or other considerations. The following figures represent the ratio of actual utilization to the preferred level of operations.

Capacity Utilization Rates: Fourth Quarters 1982, 1986, 1987, 1988

Industry:	1988	1987	1986	1982
Suits & coats (men's & boys')	88	93	82	84
Separate trousers (men's & boys')	98	nr	84	86
Waterproof outerwear (men's & women's)	nr	57	65	100
Shirts & nightwear (men's & boys')	nr	96	90	82
Neckwear (men's & boys')	97	98	99	nr
Hosiery	91	88	94	84
Knit underwear mills	89	96	83	80
Underwear	93	94	nr	nr

nr not reported

Source: U.S. Bureau of the Census, Current Industrial Reports: Survey of Plant Capacity, 1988 MC-CL(88)-1

Leading Manufacturers

A listing of some of the major U.S. manufacturers of menswear tailored apparel with their sales volume range in fiscal year 1990 was provided by Fabric Marketing Research, as shown below.

Leading Manufacturers of Men's Tailored Clothing

Company:	Sales Volume in fiscal year 1990 (Mil. $)
Hartmarx Corp. Chicago, IL	In excess of: $1,300
Kellwood Company, Inc. St. Louis, MO	800
Phillips-Van Heusen Corp. New York, NY	800
Oxford Industries, Inc. Atlanta, GA	600
Polo Ralph Lauren Corp. New York, NY	575
Bidermann Industries USA, Inc. Secaucus, NJ	550

(continued)

Leading Manufacturers of Men's Tailored Clothing
(continued)

Company:	Sales Volume in fiscal year 1990 (Mil. $)
Palm Beach Company, Inc. Cincinnati, OH	500
500 Fashion Group/ McGregor Company New York, NY	450
Eddie Bauer, Inc. Redmond, WA	450
Levi Strauss & Company San Francisco, CA	300
Londontown Corp. Eldersburg, MD	300
Fingerhut Corp. Minnatonka, MN	250

Source: Fabric Marketing Research, New York, NY

Hartmarx Corporation boasts a top ranked 11% share of the U.S. men's suit market, as sales totaled $1.3 billion in 1989, according to the Wall Street Journal. Genesco Inc. follows, with a 5% market share. U.S. suit makers have been fighting growing competition from European imports, as many men shun the traditional American suits for the more stylish designs by Italian and British firms. Over recent years, sales of U.S.-made suits have slipped 24%, to 11.9 million in 1989, from 15.6 million in 1983. Sales of imports rose 49% to 5.2 million, from 3.5 million, during this same period, according to the Wall Street Journal.

Leading Manufacturers of Suits

Company	Brands	Market Share
Hartmarx Corp.*	Hart Schaffner & Marx, Hickey-Freeman	11%
Genesco Inc.	Perry Ellis, Polo, University Club	5
J. Schoeneman Inc.**	Burberry's, Halston	3
Int'l. Fashion Apparel Corp.	Cricketeer, Hugo Boss	3
Crystal Brands Inc.	Palm Beach, Haspel	na

* Karl Lagerfeld collection was added to the company's line in 1991.
** In 1991, Bidermann Industries Corp. signed an agreement to sell its J. Schoeneman, Inc. subsidiary to Plaid Acquisition Corp.
na not available

Source: Wall Street Journal (8/27/90)

GENERAL INDUSTRY STATISTICS

Operating Ratios

A comparison of operating ratios in menswear industries is given for census years 1977 through 1987, as reported by the U.S. Census Bureau.

Operating Ratios

Men's & boys' suits & coats (2311)

	1987	1982	1980	1977
Payroll per employee	14,172	11,678	10,277	8,330
Production workers:				
% of total employment	87	86	87	87
Annual hours	1,784	1,798	1,798	1,774
Avg. hourly earnings	6.95	5.64	4.99	4.22
Cost of materials as a % of value of shipments	39	46	46	45
Cost of materials & payroll as a % of value of shipments	66	74	75	74
Value added per employee	31,906	22,380	19,322	15,951
Payroll as a % of value added	44	52	53	52
Value added per production worker hour	20.53	14.40	12.38	10.30

Men's & boys' neckwear (2323)

	1987	1982	1980	1977
Payroll per employee	15,811	12,268	8,552	6,525
Production workers:				
% of total employment	84	79	86	87
Annual hours	1,774	1,698	1,648	1,769
Avg. hourly earnings	6.98	5.50	4.55	3.25
Cost of materials as a % of value of shipments	47	45	45	50
Cost of materials & payroll as a % of value of shipments	72	69	73	77
Value added per employee	33,973	27,433	17,182	12,324
Payroll as a % of value added	47	45	50	53
Value added per production worker hour	22.85	20.42	12.16	8.01

Rainwear/Waterproof Outer Garments (2385)

	1987	1982	1980	1977
Payroll per employee	13,359	10,870	9,053	7,450
Production workers:				
% of total employment	83	86	87	84
Annual hours	1,792	1,738	1,673	1,772
Avg. hourly earnings	6.41	5.36	4.85	3.44
Cost of materials as a % of value of shipments	49	46	43	45
Cost of materials & payroll as a % of value of shipments	74	68	71	71
Value added per employee	26,953	26,452	19,177	16,200
Payroll as a % of value added	50	41	47	46
Value added per production worker hour	18.16	17.70	13.21	10.86

Note: Values are in current dollars.

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

GENERAL INDUSTRY STATISTICS

Industry Location

According to the Census of Manufactures, in 1987, there were fewer plants in the specified menswear industries, compared with 1982 data. New York, California and Georgia, were leading states in menswear production, based on the total number of plants in each industry.

Industry Statistics For Leading States: 1987

	All Plants		Employees		Value Added By Manufacture	
Industry:	Total	With 20+ Employees	No. (thous.)	% of total	Mil. $	% of total
Men's & boys':						
Suits & coats (2311)						
U.S. total	337	236	55.2	100.0%	$1,761.2	100.0%
New York	69	34	nr	--	D	--
Pennsylvania	54	43	11.6	21.0	348.7	19.8
California	24	10	nr	--	D	--
New Jersey	22	15	1.8	3.3	48.2	2.7
Georgia	21	18	nr	--	D	--
Shirts (2321)						
U.S. total	601	470	76.7	100.0	2,185.4	100.0
North Carolina	74	67	13.6	17.7	412.1	18.9
California	75	54	3.4	4.4	129.8	5.9
New York	59	29	2.4	3.1	170.3	7.8
Florida	46	27	2.8	3.7	60.1	2.8
Georgia	43	41	9.6	12.5	288.5	13.2
Alabama	43	40	8.7	11.3	213.9	9.8
Underwear & nightwear (2322)						
U.S. total	96	76	17.2	100.0	577.8	100.0
New York	16	9	nr	--	D	--
Georgia	15	15	3.8	22.1	81.8	14.2
Pennsylvania	7	5	1.2	7.0	38.7	6.7
North Carolina	8	7	nr	--	D	--
Neckwear (2323)						
U.S. total	142	84	7.4	100.0	251.4	100.0
New York	60	36	2.6	35.1	78.5	31.2
California	17	9	nr	--	D	--
New Jersey	10	6	0.3	0.0	13.8	5.5
North Carolina	9	9	nr	--	D	--
Trousers & slacks (2325)						
U.S. total	484	413	93.3	100.0	3,273.2	100.0
Georgia	61	59	10.8	11.6	280.6	8.6
California	49	37	3.2	3.4	101.4	3.1
Texas	40	34	14.1	15.1	649.7	19.8
Alabama	40	39	10.9	11.7	229.1	7.0
Tennessee	36	33	10.0	10.7	409.6	12.5

(continued)

Industry Location (continued)

Industry Statistics For Leading States: 1987
(continued)

Industry:	All Plants Total	All Plants With 20+ Employees	Employees No. (thous.)	Employees % of total	Value Added By Manufacture Mil. $	Value Added By Manufacture % of total
Men's & boys':						
Waterproof outerwear (2385)						
U.S. total	67	39	6.4	100.0	172.5	100.0
New York	11	7	nr	--	D	--
New Jersey	7	5	nr	--	D	--
Maryland	6	6	nr	--	D	--
Massachusetts	5	3	nr	--	D	--

nr not reported
(D) data withheld to avoid disclosure

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

PRODUCTION

Tailored Wear

Data on production of men's tailored clothing and rainwear is reported in the Current Industrial Reports compiled by the U.S. Bureau of the Census. All known manufacturers in the industry, except for very small producers (generally less than five employees), are surveyed for these annual reports. Figures include garments which are cut from U.S. fabric but assembled abroad and shipped back to U.S. under the terms of Item 807 of the Tariff Schedule.

Production of specified men's and boys' wear fell in 1990 for all categories except underwear and nightwear, which rose 15.3% over 1989.

Production of Selected Men's & Boys' Wear: 1989, 1990
(Thous. of Dozens)

	1990	1989	% Change 1990/89
Suits	933	1,091	-14.5%
Coats, jackets, vests	4,709	5,432	-13.3
Tops	99,762	109,398	-8.8
Bottoms	44,040	47,066	-6.4
Underwear & nightwear	99,699	86,502	15.3
Other garments	4,945	7,099	-30.3

Source: U.S. Bureau of the Census, Current Industrial Reports: Selected Apparel (MQ23A (90)-4) (Issued June 1991)

PRODUCTION

Tailored Wear (continued)

Domestic production in men's tailored wear was up 3.3% in 1989 as compared with the previous year. Growth also ocurred in the production of trios, up 65.6%, separate trousers, up 6.1%, and raincoats, up 8.8%. Production levels declined in the other listed categories, reflecting the growing penetration by imports.

Summary of Production of Men's Tailored Clothing & Rainwear: 1988, 1989

(Thousands of units)

	1989	1988	% Change 1989/88
Tailored clothing, total	146,194	141,533	3.3%
Tailored suits, incl. uniforms	11,297	11,414	-1.0
Trios	149	90	65.6
Overcoats, topcoats & tailored suburban & car coats, incl. uniforms	1,350	1,508	-10.5
Tailored suit-type dress & sport coats, incl. uniforms	15,543	17,470	-11.0
Separate vests, excl. sweater vests	305	310	-1.6
Separate dress & sport trousers, incl. uniforms	114,380	107,828	6.1
Raincoats, incl. uniform (men's & boys')	3,170	2,913	8.8

Source: U.S. Bureau of the Census:
1989 Current Industrial Reports (MA23A(89)-1)

Explanation of Terms:

Tailored uniform suits:
Includes military, guard, band, police, fire and various items of career apparel like blazers worn by motel desk clerks, auto rental agency employees, airline personnel and bank tellers. Non-tailored work-type suits, such as those worn by delivery drivers and gas station attendants, are not included.

Trios:
Includes tailored suits with a matching and contrasting pair of pants.

Overcoats, topcoats & tailored suburban, car & stormcoats:
Includes only tailored items including uniform, reversible, zipper-lined, fingertip and wool water-repellent coats. Excludes raincoats.

Raincoats:
Includes waterproof outercoats and water-repellent coats of cotton and man-made fibers including uniforms.

Separate vests, including uniform:
Includes vests which are not part of suits, excludes sweater vests.

Tailored Wear (continued)

Production of Reported Categories of Men's Tailored Wear By Fabric & Wholesale Price: 1987, 1988, 1989

(Thousands of units)

	1989	1988	1987(r)	% Change 1989/88
Tailored suits, incl. uniform	11,297	11,414	10,474	-1.0%
By fabric:				
All cotton & chiefly cotton	113	260	(D)	-56.5
Man-made/wool blends, chiefly man-made	2,677	2,782	4,308	-3.8
All man-made & chiefly man-made, except man-made/wool blends	2,273	1,967	1,420	15.6
All wool & chiefly wool	5,043	5,213	3,578	-3.3
All other fabric	409	358	(D)	14.2
Fabric, n.s.k.	782	834	172	-6.2
By wholesale price:				
Under $99.99	2,424	2,010	3,435	20.6
$100.00 - $149.99	2,376	3,076	1,940	-22.8
$150.00 - $199.99	3,312	3,262	3,066	1.5
$200.00 and over	2,144	2,047	1,316	4.7
Price, n.s.k.	1,042	1,019	717	2.3
Overcoats, topcoats & tailored suburban car coats, incl. uniform	1,350	1,508	1,611	-10.5
By fabric:				
All man-made & chiefly man-made	527	612	579	-13.9
All wool & chiefly wool	620	693	770	-10.5
All cotton & chiefly cotton	79	45	(D)	75.6
All other fabric	95	120	(D)	-20.8
Fabric n.s.k.	29	38	(D)	-23.7
Men's & boys' raincoats, incl. uniform	3,170	2,913	3,103	8.8
Plastic (with or without fabric trim)	(D)	(D)	(D)	--
Rubberized and/or coated fabric	2,084	1,860	1,980	12.0
Fabric, n.s.k.	183	118	134	55.1
Tailored suit-type dress & sport coats, incl. uniform	15,543	17,470	17,451	-11.0
By fabric:				
All cotton & chiefly cotton	1,094	1,081	(D)	1.2
Man-made/wool blends, chiefly man-made	4,025	3,753	5,689	7.2
All man-made & chiefly man-made except man-made/wool blends	4,657	5,462	5,243	-14.7
All wool & chiefly wool	3,565	4,087	4,300	-12.8
All other fabric	1,730	931	969	85.8
Fabric, n.s.k.	472	2,156	(D)	-78.1
By wholesale price:				
Under $35.00	3,774	4,350	4,392	-13.2
$35.00 - $49.99	2,342	2,960	4,245	-20.9
$50.00 - $79.99	3,651	2,985	4,096	22.3
$80.00 - $94.99	1,355	1,402	1,208	-3.4
$95.00 - $109.99	903	927	697	-2.6
$110.00 and over	2,871	3,034	2,091	-5.4
Price, n.s.k.	647	1,812	722	-64.3

(continued)

Tailored Wear (continued)

Production of Reported Categories of Men's Tailored Wear By Fabric & Wholesale Price: 1987, 1988, 1989

(Thousands of units)
(continued)

	1989	1988	1987(r)	% Change 1989/88
Separate vests, excl. sweater vests	305	310	329	-1.6%
By fabric:				
All man-made & chiefly man-made	241	173	284	39.3
All wool & chiefly wool	42	45	26	-6.7
All cotton & chiefly cotton	13	73	(D)	-82.2
All other fabric	(D)	(D)	(D)	--
Separate dress & sport trousers, incl. uniform	114,380	107,828	110,684	6.1
By fabric:				
All cotton & chiefly cotton	24,618	24,204	22,421	1.7
Man-made wool blends, chiefly man-made	11,562	14,037	14,473	-17.6
All man-made & chiefly man-made, except man-made/wool blends	52,062	50,646	64,271	2.8
All wool & chiefly wool	7,133	9,517	(D)	-25.0
All other fabric	(D)	(D)	(D)	--
By wholesale price:				
Under $9.99	21,567	21,675	15,840	-0.5
$10.00 - $13.99	38,841	38,566	59,234	0.7
$14.00 - $21.99	25,004	19,297	14,428	29.6
$22.00 and over	10,836	12,334	10,735	-12.1
Price, n.s.k.	18,132	15,956	10,447	13.6

(r) revised n.s.k not specified by kind.
(D) data withheld to avoid disclosure of individual companies.

Source: U.S. Bureau of the Census:
Current Industrial Reports: Apparel (MA-23A)

Furnishings

The Census Bureau compiles annual reports on the production of men's furnishings by U.S. producers. This includes products which are cut in the U.S. from American fabric, sent outside the country to be sewn, then shipped back to the U.S. under the 807 import category. In recent years, such products have come to account for a significant portion of total production.

Dress and business shirt production rose 11.6% in 1989 vs. 1988, and was up 16.5% vs. 1986. The production of robes and of knit shorts and briefs also grew 3% and 4.6% respectively. A decline of 7.2%, however, was noted in the thermal underwear category, as pajama and robe production also fell 3%.

PRODUCTION

Furnishings (continued)

Summary of Production of Reported Furnishings, 1988, 1989
(Men's only except where noted)

	Thous. Dozen		% Change
	1989	1988	1989/88
Dress & business shirts, incl. uniform	8,123	7,276	11.6%
Pajamas & other nightwear, excl. robes	987	1,018	-3.0
Robes (men's & boys')	726	705	3.0
Lightweight undershirts, excl. T-shirts made for outerwear	26,497	26,898	-1.5
Thermal underwear incl. tops, bottoms & one-piece (men's & boys')	4,492	4,838	-7.2
Boxer shorts	5,230	5,184	0.9
Knit shorts & briefs	29,356	28,071	4.6

Source: U.S. Bureau of the Census, Current Industrial Reports: Apparel, (MA23A); Underwear & Nightwear, (MA23G)

Production of Reported Types of Furnishings By Type of Fabric: 1987, 1988, 1989
(Men's only except where noted)

	Thousands of Dozens			% Change
	1989	1988	1987	1989/88
Dress & business shirts, incl. uniform, total	8,123	7,276	5,920	11.6%
All cotton & chiefly cotton	4,139	3,511	2,563	17.9
All man-made & chiefly man-made	3,437	3,152	3,343	9.0
All other fabric	(D)	(D)	(D)	--
Pajamas & other nightwear, excl. robes, total	987	1,018	999	-3.0
All cotton & chiefly cotton	718	638	735	12.5
All man-made & chiefly man-made	261	362	258	-27.9
All other fabric	(D)	(D)	5	--
Fabric, n.s.k.	(D)	(D)	1	--
Robes (men's & boys'), total	726	705	942	3.0
All cotton & chiefly cotton	237	222	195	6.8
All man-made & chiefly man-made	470	465	684	1.1
All other fabric	(D)	(D)	9	--
Fabric, n.s.k.	(D)	(D)	54	--
Knit underwear				
Lightweight undershirts with 1/4 sleeve, excl. T-shirts made for outerwear, total	26,497	26,898	26,501	-1.5
All cotton & chiefly cotton	24,187	23,743	22,504	1.9
All man-made & chiefly man-made	2,307	(D)	(D)	--
All other fabric & n.s.k.	3	53	(D)	-94.3

(continued)

PRODUCTION

Furnishings (continued)

Production of Reported Types of Furnishings By Type of Fabric: 1987, 1988, 1989

(Men's only except where noted)
(continued)

	Thousands of Dozens			% Change
	1989	1988	1987	1989/88
Thermal underwear, incl. winter (men's & boys') tops, bottoms & one-piece, total	4,492	4,838	4,738	-7.2%
All cotton & chiefly cotton	2,527	2,477	3,044	2.0
All man-made & chiefly man-made	1,924	2,300	1,629	-16.3
All other fabric & n.s.k.	41	(D)	(D)	--
Knit shorts & briefs, total	29,356	28,071	28,722	4.6
All cotton & chiefly cotton	24,952	22,236	23,348	12.2
All man-made & chiefly man-made	4,374	5,816	5,025	-24.8
Fabric, n.s.k.	30	19	349	57.9
Boxer shorts, woven (men's & boys')	5,230	5,184	4,939	0.9
All cotton & chiefly cotton	3,583	3,423	3,407	4.7
All man-made & chiefly man-made	1,645	1,761	1,470	-6.6
Fabric, n.s.k.	2	--	62	--

n.s.k. not specified by kind
(D) data withheld to avoid disclosure of individual companies.

Source: U.S. Bureau of the Census: Current Industrial Reports (MA 23A)

Production of Reported Types of Men's Hosiery by Type: 1987, 1988, 1989

	Thous. Dozen			% Change
	1989	1988	1987	1989/88
Hosiery, size 10 & up, total	68,016	67,185	64,156	1.2%
Footsocks	1,165	1,062	1,012	9.7
Anklets	23,730	23,029	25,851	3.0
Mid-calf/crew	22,474	21,881	18,868	2.7
Knee-highs	20,647	21,213	18,425	-2.7

Source: National Association of Hosiery Manufacturers: 1989 Hosiery Statistics

PRODUCTION

Materials Consumed in Production

Data from the 1987 Census of Manufactures shows the value of materials consumed by plants classified in specified menswear industries. Comparisons with available 1982 figures are shown below. It should be kept in mind, however, that these are in current dollars, with no adjustment for inflation.

Delivered Cost of Materials Consumed in Men's & Boys' Wear Plants
(Millions of dollars)

Industry		Total	Broadwoven Fabrics	Knit Fabrics	Other Materials Containers Supplies	N.S.K.
Suits & Coats:	1987	$793.3	$598.8	$ 36.6	$131.9	$ 26.0
(SIC 2311)	1982	897.7	500.8	75.3	184.2	137.4
Shirts:	1987	1,428.3	417.8	780.1	161.9	68.5
(SIC 2321)	1982	nr	nr	nr	nr	nr
Underwear, nightwear:						
(SIC 2322)	1987	364.6	47.0	278.7	29.1	9.8
	1982	nr	nr	nr	nr	nr
Neckwear:	1987	184.5	113.1	7.3	11.3	52.8
(SIC 2323)	1982	127.7	61.8	6.3	16.9	42.7
Trousers, slacks:						
(SIC 2325)	1987	2,013.9	1,560.8	72.9	277.6	102.6
	1982	nr	nr	nr	nr	nr

nr not reported
n.s.k. not specified by kind.

Source: U.S. Bureau of the Census:
1987 Census of Manufactures (MC87-1-23A)

Fiber Consumption in Men's Underwear & Nightwear Production:
1988, 1989
(Millions of pounds)

	1989	1988	% Change 1989/88
Total fiber	354.9	337.8	5.1%
Man-made fiber, total	79.7	84.8	-6.0
Noncellulosic yarn	7.6	8.7	-12.6
Noncellulosic staple	72.1	76.1	-5.3
Cotton	275.0	252.8	8.8
Wool	0.2	0.2	0.0

Source: Fiber Economics Bureau:
Fiber Organon (September 1990)
(formerly Textile Organon)

PRODUCTION

Materials Consumed in Production (continued)

Fiber Consumption in Men's & Women's Anklets & Socks

(Millions of pounds)

	1989	1988	% Change 1989/88
Total fiber	252.6	216.0	16.9%
Man-made fiber, total	120.5	106.0	13.7
Noncellulosic yarn	77.8	58.6	32.8
Noncellulosic staple	42.7	47.0	-9.1
Cotton	128.8	106.6	20.8
Wool	3.3	3.4	-2.9

Source: Fiber Economics Bureau:
Fiber Organon (September 1990)
(formerly Textile Organon)

Cotton Consumption in Specified Men's Apparel, Preliminary 1989

(In thousands of square yards)

	Total Cotton and Other Materials	Cotton*	Other**
Tailored Wear:			
Suits	90,021	10,033	79,988
Coats & topcoats	6,614	470	6,144
Dress & sport coats	60,487	6,530	53,957
Men's & boys' trousers, dress & sport	251,799	110,448	141,351
Raincoats (excl. plastic, rubberized)	5,636	2,367	3,269
Furnishings:			
Dress & business shirts	219,538	139,880	79,658
Pajamas & nightwear	123,125	41,822	81,303
Underwear, total	1,101,845	945,537	156,308
Knit	1,035,555	903,783	131,772
Woven (boxer shorts)	66,290	41,754	24,536

* Includes both 100% cotton and estimates on cotton used in blends.

** Figures are difference(s) between "Total, Cotton & Other Materials" and "Cotton" figures. Represents man-made fiber at various end levels and wool.

Source: National Cotton Council of America:
Cotton Counts Its Customers (1990 Edition)

PRODUCTION

Productivity

The Bureau of Labor Statistics reports on the growth in productivity in the men's and boys' suits industry. In 1988, productivity was 14.7% higher than in the base year of 1977.

Annual Productivity Index
(1977=100)

	1988	1987	1986	1985	1982	1980	1975	1970
Suits (men's & boys')	114.7	112.5	112.9	111.6	101.8	100.0	102.3	78.9

Source: U.S. Bureau of Labor Statistics:
Monthly Labor Review (3/91)

PRODUCT SHIPMENTS

The U.S. International Trade Administration, Department of Commerce, has reported the following product shipment trend information in both current and constant (1987=100) dollars.

Trends in Value of Shipments in Constant 1987 Dollars
and Current Dollars
Selected Categories of Men's Wear 1988, 1989, 1990
(Value in millions of dollars)

Industry Data	1990	1989	1988	% Change 1990/89	% Change 1989/88
Value of shipments, current $					
2311 Men's & boys' suits & coats	$2,985	$3,000	$2,977	-0.5%	0.8%
2321 Men's shirts	3,799	3,881	3,728	-2.1	4.1
2325 Men's & boys' trousers	5,537	5,612	5,475	1.3	2.5
2323 Men's & boys' neckwear	453	450	457	0.7	-1.5
Value of shipments, constant 1987 $					
2311 Men's & boys' suits & coats	$2,696	$2,818	$2,835	-4.3%	-0.6%
2321 Men's shirts	3,457	3,664	3,586	-5.6	2.2
2325 Men's & boys' trousers	5,046	5,304	5,278	-4.9	0.5
2323 Men's & boys' neckwear	418	429	448	-2.6	-4.2

Source: U.S. Department of Commerce:
International Trade Administration:
1991 U.S. Industrial Outlook

The value of shipments covered in this section represents the total value of specified products produced by all industries, regardless of the plants' SIC Classification. It includes both primary and secondary producers. (This is in contrast with industry shipments previously covered, which include all products and miscellaneous receipts of only those plants classified within the specified SIC.)

PRODUCT SHIPMENTS

Data from the 1987 Census of Manufactures compares shipment totals for the census years 1987 and 1982. The Annual Survey of Manufactures, conducted by the Census Bureau among a sample of manufacturers, provides a summary of value of shipments of broad classifications, shown for 1988.

In 1988, there was little change in shipments of all reported menswear categories from 1987.

Value of Shipments by All U.S. Producers of
Specified Categories of Men's & Boys' Furnishings
1982, 1987, 1988
(Millions of dollars)

	1988	1987	1982	% Change 1988/87
Total, all reported categories	$14,740.5	$14,774.4	$12,772.6	-0.2%
Men's & boys' suits & coats*	2,976.9	2,877.0	2,932.9	3.5
Men's suits, incl. uniform & leisure	1,237.7	1,222.7	1,078.6	1.2
Men's overcoats, topcoats, & tailored car & suburban coats	106.9	104.7	126.6	2.1
Men's sport coats, jackets & vests	977.6	974.3	944.0	0.3
Men's & boys' suits & coats, n.s.k.	68.8	60.6	141.9	13.5
Men's & boys' shirts	3,727.6	3,842.2	2,928.0	-3.0
Knit shirts	1,884.2	1,863.0	2,325.0	1.1
Woven dress & sport shirts	1,300.7	1,339.3	#	-2.9
Contract & commission receipts	505.8	537.2	435.9	-5.8
Shirts, n.s.k.	37.0	102.7	167.1	-64.0
Men's & boys' underwear & nightwear	1,000.6	996.5	656.0	0.4
Men's & boys' underwear	775.6	768.3	418.2	1.0
Men's & boys' nightwear	152.4	148.3	151.3	2.8
Contract & commission receipts	53.3	60.7	79.2	-12.2
Underwear & nightwear, n.s.k.	19.3	19.3	7.3	0.0
Men's & boys' neckwear	457.2	421.5	310.4	8.5
Men's & boys' trousers & slacks*	5,474.8	5,474.4	4,860.6	0.007
Men's & boys' dress & sport trousers	1,775.0	1,639.5	1,560.4	8.3
Men's finished hosiery (sizes 10 & larger)	838.4	844.7	655.0	-0.7
Waterproof outerwear**	265.0	318.1	429.7	-16.7

n.s.k. not specified by kind
* Total includes other categories not listed
** Includes women's.
# Total is included with knit shirts.

Source: U.S. Bureau of the Census: 1988 Annual Survey of Manufactures, 1987 Census of Manufactures

The Current Industrial Reports series is based on reports from manufacturers, government contractors and jobbers in the U.S., except very small firms (usually less than 5 employees.) Included in the figures reported are garments cut in the U.S., sent outside the country to be sewn, then imported into the U.S. under provisions of Item 807 of the Tarriff Schedule. Not included are apparel items manufactured entirely abroad and "sourced" by U.S. manufacturers.

PRODUCT SHIPMENTS

The CIR reports are more detailed than the reports from the annual survey of manufacturers, with data on most major items of apparel, and include apparel made in knitting mills.

Product shipments fell for all reported categories, except tops and bottoms, in 1990 versus 1989.

Summary of Value of Shipments For Men's & Boys' Wear: 1989, 1990
(Millions of dollars)

	1990	1989	% Change 1990/89
Men's & boys':			
Suits	$1,275.4	$1,454.4	-12.3%
Coats, jackets, vests	1,913.9	2,108.9	-9.2
Tops	5,636.5	5,456.2	3.3
Bottoms	6,134.9	5,888.8	4.2
Underwear & nightwear	1,595.4	1,750.5	-8.9
Other garments	614.8	647.8	-5.1

Source: U.S. Bureau of the Census:
Current Industrial Reports

A more detailed break-out on product shipments is shown below, with the latest available data from 1989.

Value of Shipments of Specified Furnishings: 1988, 1989
(Men's only, except where noted)
(Millions of dollars)

	1989	1988	% Change 1989/88
Reported total	$9,271.6	$8,616.6	7.6%
Tailored suits, incl. uniform	1,401.3	1,398.8	0.2
Overcoats, topcoats & tailored car & suburban coats, incl. uniform	92.6	99.4	-6.8
Raincoats, incl. uniform (men's & boys')	139.8	127.4	9.7
Tailored suit-type dress & sport coats, incl. uniform	937.1	1,017.0	-7.9
Separate vests, excl. sweater vests	7.8	6.6	18.2
Woven dress & business shirts, incl. uniform	1,103.5	992.8	11.2
Woven sport shirts	328.1	321.6	2.0
T-shirts & tank tops made for outerwear, incl. long-sleeve T-shirts	1,346.6	996.8	35.1
All other knit shirts, except sweatshirts	755.1	741.6	1.8
Separate dress & sport trousers, incl. uniform	1,719.7	1,513.4	13.6
Pajamas & other nightwear, excl. robes	77.1	74.7	3.2
Robes (men's & boys')	104.4	105.6	-1.1
Woven boxer shorts (men's & boys')	105.8	101.6	4.1
Lightweight undershirts, excl. T-shirts made for outerwear	513.1	481.7	6.5
Thermal underwear, incl. winter weight	208.6	201.0	3.8
Knit briefs & shorts	431.0	436.6	-1.3

Source: U.S. Bureau of the Census:
1989 Current Industial Reports (MA23A)(89)-1

PRODUCT SHIPMENTS

Leading States

Value of Product Shipments of Specified Furnishings Products by Leading States: 1982, 1987
(Millions of dollars)

	1987	1982	% Change 1987/82
Men's suits, incl. uniform & leisure (2311)			
U.S. total	$1,222.7	$1,078.6	13.4%
Pennsylvania	266.4	232.3	14.7
New York	179.6	161.6	11.1
Massachusetts	121.0	98.7	22.6
Georgia	116.6	124.0	-6.0
Men's overcoats, topcoats, tailored car & suburban coats			
U.S. total	974.3	944.0	3.2
Pennsylvania	162.7	216.1	-24.7
Texas	134.0	124.2	7.9
Massachusetts	132.7	122.4	8.4
Georgia	100.1	78.6	27.4
Men's & boys' knit shirts			
U.S. total	1,863.0	na	--
North Carolina	514.3	na	--
South Carolina	204.2	na	--
Alabama	138.1	na	--
Pennsylvania	123.4	na	--
Men's & boys' woven dress & sport shirts			
U.S. total	1,339.3	na	--
Georgia	249.8	na	--
New York	229.3	na	--
Alabama	131.4	na	--
North Carolina	107.2	na	--
Men's & boys' underwear			
U.S. total	768.3	418.2	83.7
Georgia	135.2	na	--
North Carolina	79.6	na	--
Pennsylvania	45.2	na	--
Men's & boys' nightwear			
U.S. total	148.3	151.3	-2.0
New York	44.4	48.8	-9.0
North Carolina	17.1	na	--

(continued)

PRODUCT SHIPMENTS

Leading States (continued)

Value of Product Shipments of Specified Furnishings Products By Leading States: 1982, 1987
(Millions of dollars)
(continued)

	1987	1982	% Change 1987/82
Men's & boys' separate dress & sport trousers			
U.S. total	$1,639.5	$1,560.4	5.1%
Texas	296.8	(na)	--
Georgia	226.9	(na)	--
New York	195.4	(na)	--
Alabama	119.4	(na)	--
Men's finished hosiery (sizes 10 & larger)			
U.S. total	844.7	655.0	29.0
North Carolina	499.5	390.5	27.9
Georgia	80.5	40.5	98.8
Tennessee	56.8	79.4	-28.5
Alabama	47.4	23.9	98.3
Raincoats & other waterproof outerwear			
U.S. total	288.9	357.0	-19.1
New York	23.7	53.7	-55.9
Florida	6.7	8.3	-19.3
Rhode Island	2.8	(na)	--

(na) not available

Source: U.S. Bureau of the Census: 1987 Census of Manufactures

PRICE TRENDS

Producer (Factory) Prices

According to the Bureau of Labor Statistics, factory prices rose for all listed men's and boys' wear categories in March 1991 vs. March 1990, as well as in full year 1989 vs. 1988.

PRICE TRENDS

Producer (Factory) Prices (continued)

Producer Price Indexes for Reported Menswear
(1982=100 unless otherwise noted)

	Unadjusted Indexes		Annual Averages	
	March 1991	% Change March 1991/90	1989	% Change 1989/88
Men's & boys', total	121.9	1.8	116.8	3.4%
Men's suits, business & other regular & lightweight	133.7	2.1	125.1	6.7
Trousers, dress, sport & uniform, men's & boys'	118.6	1.0	114.6	4.6
Sport coats, jackets, men's	130.0	2.3	123.6	5.9
Raincoats, other waterproof garments, (men's & boys') (6/85=100)	118.3	2.7	111.0	4.2
Hosiery, finished, men's	120.5	0.4	115.8	2.2
Underwear, men's & boys':				
Undershirts, knit	123.1	0.3	116.1	2.5
Shorts, briefs, knit	112.4	1.1	109.3	1.3
Neckwear	126.5	2.1	119.7	5.6
Shirts, excl. sport & sweatshirts (men's & boys') (12/84=100)	124.5	2.6	120.1	4.6

Source: U.S. Bureau of Labor Statistics:
Producer Price Indexes for Commodity
Groupings & Individual Items

Import Prices

Import price indexes are determined by the price of a product at the foreign port, excluding freight, insurance and tariff. Many foreign manufacturers have tried to keep price increases down, even with the soft U.S. dollar.

The Department of Labor reports that the level of prices for imported men's and boys' woven outerwear fell 1.4% in the first quarter of 1991, and 0.1% in the year ending March 1991. (Indexes specifically on men's and boys' wear are shown below; other types are combined by the Labor Department with women's and children's wear.)

U.S. Import Price Indexes Reported For Men's & Boys' Wear
(1985=100)

			% Change	
	March 1991	Dec. 1990	Annual Mar. 91/ Mar. 90	Quarterly Dec. 90/ Mar. 91
Clothing, total	121.2	121.6	-0.4%	-0.3%
Men's & boys':				
Woven outerwear	136.6	138.6	-0.1	-1.4
Woven shirts	124.1	124.2	4.0	-0.1

Source: U.S. Department of Labor:
Bureau of Labor Statistics news releases

PRICE TRENDS

Consumer Prices

The consumer price index for all men's apparel rose 3% in April 1991 vs. April 1990, and was up 3.4% in full year 1990 vs. 1989. The sharp increase in wool prices was passed along to the consumer, especially in the suit category, which rose 4.5%. With the economy in a recession, however, many manufacturers have begun to introduce lower price points in an effort to increase sales.

Consumer Price Index: Specified Men's Wear
(1982-1984=100)

	Seasonally Unadjusted Indexes		Annual Averages		% Change
	April 1991	December 1990	1990	1989	1990/89
Apparel commodities, total	128.0	123.0	122.0	116.7	4.5%
Men's	127.9	124.5	123.1	119.1	3.4
Suits, sport coats, coats, jackets	134.4	128.2	126.4	121.0	4.5
Furnishings & special clothing	118.2	119.8	117.5	114.9	2.3
Shirts	133.8	127.9	128.1	123.2	4.0
Trousers, incl. jeans	124.0	121.9	119.9	117.2	2.3

Source: U.S. Bureau of Labor Statistics:
CPI Detailed Reports

FOREIGN TRADE

Imports & Exports

Imports of all apparel slowed in 1990, as the U.S. apparel market remained soft due to a weak economy. The decline in the value of the dollar, however, helped the flow of apparel exports.

Developments such as the unification of the European market in 1992, the emergence of market-oriented economies in Eastern Europe, and the possibility of a U.S.-Mexico Free Trade Agreement, should all have a great impact on foreign trade of apparel in the future, according to the U.S. Industrial Outlook.

The value of general imports and exports for 1989, and for the first half of 1990 was reported for specified men's and boys' wear categories, as shown below. Figures are not comparable to previous years due to the change over to the Harmonized Tariff Schedule of the U.S., which took effect in January 1989, and changed some SIC classifications.

6

FOREIGN TRADE

Imports & Exports (continued)

Value of U.S. Imports & Exports of Specified Men's & Boys' Wear
(Thousands of dollars)

	January to June 1990		Full Year 1989	
	General Imports*	Exports**	General Imports*	Exports**
Overcoats, raincoats, etc.				
Wool, not knit	1,006	--	46,562	2,101
Textile, n.e.s., not knit	725	4	137,278	10,528
Suits				
Wool & fine animal hair, not knit	109,675	618	254,230	1,082
All other textiles, not knit	47,112	3,861	91,178	6,194
Textile fabric, knit or crochet	1,199	11,958	2,660	11,672
Jackets & blazers				
Not knit	90,455	13,793	227,598	21,175
Knit or crochet	830	2,514	1,640	7,091
Trousers, overalls, shorts, etc.				
Not knit	1,101,027	213,859	1,824,965	328,821
Knit	49,308	25,260	105,663	74,205
Shirts				
Cotton, not knit	488,555	21,483	1,016,608	47,147
Not cotton, not knit	317,454	10,957	611,332	16,146
Cotton, knit or crochet	205,341	34,270	390,388	52,298
Textile material, knit or crochet	81,578	8,883	187,340	15,393
Underpants & briefs				
Not knit	12,860	3,809	28,280	2,853
Knit	22,381	5,009	51,131	12,296
Nightshirts & pajamas				
Not knit	27,439	9,786	69,866	5,303
Knit	10,446	1,149	19,040	2,111

* Import values are defined as the customs value of the price paid or payable for merchandise when sold for export to the U.S., excluding U.S. import duties, freight, insurance, and other charges incurred in bringing the merchandise to the U.S.

**FAS value (free alongside ship) is the value of exports at the U.S. port of export, based on the transportation price, including inland freight, insurance, and other charges incurred in placing the merchandise alongside the carriers at the U.S. port of exportation.

Source: U.S. Bureau of the Census:
U.S. Merchandise Trade: Exports, General Imports, & Imports for Consumption: FT925 (December 1989, June 1990)

FOREIGN TRADE

Imports

Imports of all apparel was relatively slow in 1990, effected by a soft U.S. retail market. The majority of apparel imports continued to come from developing countries in Asia, many of which have a competitive advantage due to their abundant supply of low-cost labor. South Korea, Taiwan and Hong Kong are regarded as Asia's big three producers in terms of volume and quality, and still take the largest share of orders, due somewhat to export quotas, according to Daily News Record. Top quality shirts and pants are produced in Hong Kong for many Italian, French and U.S. designers, while Korea continues to be a big supplier of tailored suits to the U.S. market, due to workmanship, price and a large wool suit quota.

Rising wages, labor shortages, and strikes in South Korea, Taiwan and Hong Kong, have benefitted second-string countries in Asia, such as Malaysia, Thailand and Indonesia, by enabling them to play a greater role in the production of U.S. apparel. Many of these countries offer a large pool of workers, and even lower wages.

There has also been growth in recent years of apparel imports from the Caribbean and Mexico. Many imports from the Caribbean Basin represent apparel cut in the U.S., sent outside the country to be sewn, and then returned to the U.S. under the "807" program. Apparel producers based in the U.S. get duty breaks if they have apparel assembled in the Basin region using U.S.-cut fabrics. Under Item "807A", U.S. based firms can import unlimited amounts of Caribbean-assembled apparel (from certain Caribbean countries) if certified U.S.-formed and cut fabrics are used.

Menswear producers in the Caribbean, using "807" and "807A" programs have been growing, enabling apparel to be sourced close-by and at a low cost. Many U.S. mills and textile leaders, however, have become critical of U.S. apparel manufacturers for not taking greater advantage of "807" programs, and believe they are avoiding commitments in the Caribbean, according to Daily News Record. In contrast, many Asian apparel manufacturers, particularly from Hong Kong, have been actively investing in the region, and setting up factories there, thus creating strong competition for American fabric companies. Apparel from Asian-owned plants in the Caribbean has begun to enter the U.S. under "807" programs and as direct imports, and has become a big opportunity for Asians to go through the back door to the U.S. apparel market, according to industry executives.

Some of the top men's and boys' wear categories included in the "807" program, are listed below, based on data from the Census Bureau.

Customs Value of Men's & Boys' Wear "807" Imports
(Millions of dollars)

	Year Ended 11/90	Year Ended 11/89	% Change Jan.-Nov 1990/89
Trousers, slacks, shorts	$480.8	$494.2	-2.7%
Woven shirts	122.1	128.7	-5.1
Knit shirts	62.4	75.0	-16.8
Jackets	65.1	49.1	32.6

Source: Based on data from U.S. Dept. of Commerce, Daily News Record (2/4/91)

FOREIGN TRADE

Imports' Share of Total Domestic Supply

1989 data from the Census Bureau shows an increase in imports' share of new domestic supply, in both quantity and value, for all reported clothing, except men's and boys' suit-type dress and sport coats, compared to 1988.

Shipments, Imports & New Domestic Supply of Reported Types of Tailored Clothing & Furnishings (Men's & Boys'); 1988, 1989

(Quantity in thous. of dozens; value in mil. of dollars)

1989	Suits		Suit-type Dress and Sport Coats		Trousers, Slacks and Shorts#		Shirts Dress & Sport	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	1,091	1,454.4	1,371	959.3	45,436	6,032.2	103,212	5,118.7
"807" imports**	32	4.5	246	59.3	8,080	500.8	3,581	172.9
Total imports for consumption	441	438.7	673	284.2	27,584	2,365.8	52,559	3,786.5
Net new domestic supply***	1,245	1,874.2	1,670	1,215.2	64,087	8,021.7	147,927	8,688.5
Imports: % of supply	35.4	23.4	40.3	23.4	43	29.5	35.5	43.6

1988	Suits		Suit-type Dress and Sport Coats		Trousers, Slacks and Shorts#		Shirts Dress & Sport	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Manufacturers shipments*	1,168	1,478.5	7,465	1,209.6	44,972	5,676.3	87,576	4,510.8
"807" imports**	na	na	na	na	na	na	na	na
Total imports for consumption	432	392.4	6,188	948.5	20,691	1,831.4	44,869	3,283.7
Net new domestic supply***	1,542	1,866.2	13,079	2,128.0	61,006	7,298.8	126,518	7,638.5
Imports: % of supply	28	21.0	47.3	44.6	33.9	25.1	35.2	43.0

na not available

# Includes jeans

* Value of manufacturers' shipments is f.o.b. plant.

** Represents the total c.i.f. (cost, insurance, freight) value of the article, which includes the value of the U.S. fabricated components and foreign processing.

*** Derived by subtracting exports from the sum of manufacturers' shipments plus imports.

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A)

Imports' Share of Total Domestic Supply (continued)

The Penetration of Imports as a % of New Domestic Supply: 1985-1989

	1989	1988	1987	1986	1985
Suits	35.4%	28.0%	30.1%	26.4%	28.9%
Suit-type coats-dress & sport	40.3	47.3	34.5	33.6	32.8
Trousers, slacks & jeans	43.0	33.9	33.6	28.2	25.4
Shirts, all types	35.5	35.2	47.7	47.2	41.0
Knit underwear	nr	na	7.8	7.0	5.4
Pajamas & other nightwear	nr	42.7	41.9	42.7	43.0

na not available   nr not reported

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A)

Exports

U.S. exports of men's and boys' wear rose in 1990 over previous years, due to a decline in the dollar's value, and an increase in export activities by manufacturers. According to the Commerce Department, Japan, Italy and Britain were the leading markets for many types of American-made menswear. 23% of all men's and boys' ensemble exports went to Japan, totaling approximately $4.5 million in value, up 71% over 1989. Men's and boys' suit exports to Japan jumped 236% to $20.1 million, accounting for almost half of the category. Japan also purchased almost one third of all U.S. coat and jacket exports, equaling $12.7 million in value.

With a 16% share of the market, Italy was the number two foreign destination for U.S.-made men's and boys' ensembles, as purchases rose 270.5% to $3.18 million in 1990. Coat and jacket exports to Italy also grew 203.5% to $6.2 million.

Japan and France were the top markets for men's and boys' woven shirts, while Britain took the largest share of knit shirts. Exports of both categories grew substantially over 1989, as did men's and boys' trousers and shorts.

According to the Census Bureau, exports of U.S. menswear rose in 1989 over 1988, for all categories except suit-type dress and sport coats.

U.S. Exports of Specified Menswear
(Quantity in thous. of doz; value in mil. of dollars)

	1989		1988	
	Quantity	Value*	Quantity	Value*
Suits	287	$18.9	58	$4.7
Suit-type dress & sport coats	374	28.3	574	30.1
Trousers, slacks & shorts	8,933	376.3	4,657	208.9
Shirts, dress & sport	7,844	216.7	4,927	156.0

* Value of exports is value at port.

Source: U.S. Bureau of the Census:
Current Industrial Reports (MA23A)

THE POTENTIAL MARKET

Population

Projections by the U.S. Census Bureau show that by the year 2000, the number of males aged 20 to 24, and 25 to 34 will decline compared to 1990 figures. As a result, sales of sport coats and suits may be affected, as many men in these age groups are just entering the work force, and are in need of a work wardrobe. According to Daily News Record, men aged 25 to 35 are most fashion-aware, and as they age, they will carry their values and fashion savvy with them.

The number of men aged 35 to 54 is projected to rise 29%, while those 55 to 64 years old grow 14.4%, and those 65 and older rise 11% by the year 2000. Many of these maturing baby boomers will be earning high incomes, making them attractive to upscale retailers.

Estimated Male Population of the U.S.
1990 with Projections*, 2000 and 2010

	Number (thousands)			% Change	Percent Distribution		
	1990	2000	2010	2000/1990	1990	2000	2010
Total, all ages	122,243	131,191	138,333	7.3%	100.0%	100.0%	100.0%
Under 19 years	36,592	37,569	36,063	2.7	29.9	28.6	26.1
20 years & older	85,652	93,622	102,272	9.3	70.1	71.4	73.9
20-24	9,427	8,889	9,831	-5.7	7.7	6.8	7.1
25-34	22,078	18,662	18,878	-15.5	18.1	14.2	13.6
35-54	31,191	40,241	40,018	29.0	25.5	30.7	28.9
55-64	10,103	11,557	17,173	14.4	8.3	8.8	12.4
65 & older	12,853	14,273	16,372	11.0	10.5	10.9	11.8
Median age	31.9	35.2	37.5	10.3	--	--	--

* Middle series of three different projections, each based on alternative assumptions for future fertility, mortality and net immigration levels. Includes armed forces overseas.
Note: Columns may not add to totals shown due to roundings.

Source: U.S. Bureau of the Census:
Current Industrial Reports (Series P-25, No. 1018)
(Issued January 1989)

THE POTENTIAL MARKET

Age, Income, Area of Habitation

According to a survey conducted by Bruskin & Associates for Daily News Record, men most likely to purchase a suit or sport coat within the next year are those aged 50 to 64, residing in the Northeast, from a household with incomes of over $40,000 per year. Most of these mature men are settled in their careers, many in upper and middle management positions, which enables them to take certain liberties with their wardrobes, and to dress in a manner which stresses more individual style. Those earning $40,000 or more are usually employed in professional/management positions, which require tailored clothing to be worn. They have the disposable income to purchase a new suit or sport jacket when desired, and not necessarily because they need one.

The next most likely purchasers of tailored clothing are men aged 25 to 34, according to the survey. Doctors, lawyers, engineers, and other professionals, just starting their careers, are most often included in this age range.

Finally, the man "least likely" to purchase a suit or sport jacket in the near future resides in the Midwest, is 35 to 49 years old, and earns under $15,000 per year.

Employment

The purchase and wearing of tailored clothing is closely associated with white collar employment. The number of males so employed has dropped slightly for many listed occupations, as shown in the table that follows.

Number of Males in Managerial/Professional Occupations 1989, 1990
(In thousands)

	1990	1989	% Change 1990/89
Managerial & professional specialty	16,619	16,652	-0.2 %
Executive, administrative & managerial	8,897	8,944	-0.5
Officials, administrators, public administration	354	362	-2.2
Management, related occupations	1,950	1,937	0.7
Other executive, administrative & managerial	6,592	6,645	-0.8
Professional specialty	7,723	7,708	0.2
Engineers	1,714	1,686	1.7
Mathematical & computer scientists	550	548	0.4
Natural scientists	297	302	-1.7
Health diagnosing occupations	716	713	0.4
Health assessment & treating occupations	320	340	-5.9
Teachers, total	1,487	1,528	-2.7
Lawyers & judges	599	601	-0.3
Other professional specialty occupations	2,000	2,031	-1.5
Sales occupations	7,208	7,124	1.2
Supervisors & proprietors	2,485	2,496	-0.4
Sales reps, finance & business services	1,389	1,339	3.7
Sales reps, commodities, except retail	1,278	1,282	-0.3
Sales workers, retail & personal services	2,031	1,990	2.1
Sales-related occupations	26	17	52.9

Source: U.S. Bureau of Labor Statistics:
Employment & Earnings

RETAIL OPERATIONS

1989 merchandising and operating results in menswear stores was provided by the Menswear Retailers of America, as follows.

Selected Merchandising & Operating Results in Menswear Stores: 1989
(Median results)

	Men's Clothing	Men's Suits	Coats	Sport Coats	Dress Slacks
% change in sales from last year (75)*	-3.6	0.5	5.4	-5.5	3.2
% of total stores sales (58)*	42.6	18.8	2.2	9.5	7.3
% distribution of average inventory in men's clothing dept. (45)*	47.3	20.7	1.9	11.6	8.1
Markdowns, % of men's clothing sales (64)*	16.1	15.3	20.1	17.6	13.7
Number of stock turns (52)*	1.5	1.4	1.5	1.4	1.5

	Dress Shirts	Neckwear	Hosiery	Men's Underwear	Sleepwear	Headwear
% change in sales from last year (75)*	-7.4	0.1	0.9	-6.3	-2.2	-1.6
% of total stores sales (58)*	6.7	4.7	1.2	0.8	0.5	0.5
% distribution of avgerage inventory in men's clothing dept. (45)*	6.6	3.8	0.9	0.8	0.5	0.3
Markdowns, % of men's cloth. sales (64)*	11.0	11.0	6.4	6.4	10.6	13.4
Number of stock turns (52)*	1.6	2.2	2.1	1.3	1.5	1.2

* Number of reporting firms in each category

Source: Menswear Retailers of America:
Annual Business Survey (1990 Edition)

RETAIL SALES BY OUTLET TYPE

After facing a difficult year in 1990, due to eroded consumer confidence caused by the recession and the Persian Gulf War, menswear retailers are looking forward to a gradual improvement in their sales volume in 1991, as the economy begins to turn around.

Industry executives stress the importance on the part of retailers, to reach a new men's consumer of the '90's, who is more independent about fashion than ever before, and who demands more conservative, traditional fashions, and less trendiness, according to Daily News Record. Specialty chains, such as the Gap, Merry Go Round, and the Limited have been particularly successful in targeting these consumers, by offering more focused persentations of fashionable yet traditional apparel. Specialty stores, in general, have become increasingly important outlets for the sale of menswear, particularly suits, where close to 50% of all such purchases are made, according to Daily News Record. The excellent tailoring and sales services offered at many of these outlets, are assets contributing to their success with consumers.

RETAIL SALES BY OUTLET TYPE

Other good sellers at specialty stores are sport and dress shirts, dress slacks, and sport coats, while the poorest performers include pajamas, robes, underwear, and jackets, according to Daily News Record.

Department stores remained the single best type of operation for all men's apparel purchases, although discounters and off-pricers have been increasing their market share. They follow specialty stores in the share of suits sold, and also sell a great share of dress shirts and casual bottoms, due to the many brands they offer to consumers. In an effort to successfully compete with other outlets, and to increase sales volume, department stores have had to reduce prices regularly.

Discounters and off-pricers have increased their market share of menswear sales by upscaling their men's departments, and capitalizing on the wave of fashion awareness among mass merchandise shoppers. Many stores, such as Ames, K-mart, Jamesway, Caldor and Hills, are upgrading their menswear departments by selling more brand names not previously offered, and are emphasizing fashion-at-a-price.

The following tables, based on data from the 1987 Census of Retail Trade, U.S. Bureau of the Census, show developments in menswear retailing since the last census in 1982. Each store location is separately counted, regardless of ownership, and leased departments are counted as separate stores.

The number of specified retail outlets and their corresponding sales is reported below for those selling men's and boys' clothing.

Contribution to Total Sales of All Men's & Boys' Wear in Reported Retail Outlet Types

	Total Men's & Boys' Wear Sales	Sales of Specified Men's Wear	
	Mil. $	Mil. $	% of Total Men's & Boys' Wear Sales
Reported total	$35,997.2	$13,577.7	37.7%
Department stores	19,134.3	6,200.6	32.4
Men's & boys' wear stores	8,154.7	4,712.7	57.8
Family clothing stores	7,677.0	2,494.6	32.5
Women's clothing stores	429.2	164.1	38.2
Children's & infants' wear stores	602.0	5.7	0.9

Men's Tailored Clothing/Casual Wear in Leading Outlet Types: 1987

(Includes only stores with payroll)

	Overcoats, Topcoats, Raincoats*			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	34,916	100.0%	$2,297.6	100.0%
Department stores	8,831	25.3	849.5	37.0
Men's & boys' wear stores	13,129	37.6	642.4	28.0
Family clothing stores	11,971	34.3	781.6	34.0
Women's clothing stores	985	2.8	24.0	1.0
Children's & infants' wear stores	93	0.3	1.5	0.1

(continued)

RETAIL SALES BY OUTLET TYPE

Men's Tailored Clothing/Casual Wear in Leading Outlet Types: 1987
(Includes only stores with payroll)
(continued)

	Suits & Formal Wear			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	19,694	100.0	2,756.8	100.0
Department stores	3,246	16.5	604.9	21.9
Men's & boys' wear stores	10,088	51.2	1,718.5	62.3
Family clothing stores	5,684	28.9	380.7	13.8
Women's clothing stores	676	3.4	52.7	1.9

	Sportcoats/Blazers			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	24,993	100.0	1,950.7	100.0
Department stores	4,570	18.3	731.6	37.5
Men's & boys' wear stores	11,267	45.1	837.2	42.9
Family clothing stores	8,311	33.3	355.5	18.2
Women's clothing stores	845	3.4	26.4	1.4

	Tailored & Dress Slacks			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	30,024	100.0	1,960.2	100.0
Department stores	8,213	27.4	906.2	46.2
Men's & boys' wear stores	11,462	38.2	742.8	37.9
Family clothing stores	9,365	31.2	294.7	15.0
Women's clothing stores	984	3.3	16.5	0.8

	Dress Shirts			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	32,685	100.0	2,321.6	100.0
Department stores	8,962	27.4	1,304.2	56.2
Men's & boys' wear stores	12,025	36.8	603.3	26.0
Family clothing stores	10,542	32.3	385.4	16.6
Women's clothing stores	1,156	3.5	28.7	1.2

	Men's Hosiery, Pajamas, Underwear			
	Stores**		Sales	
	Number	%	Mil. $	%
Reported total	28,129	100.0	2,289.4	100.0
Department stores	9,449	33.6	1,804.2	78.8
Men's & boys' wear stores	8,049	28.6	168.5	7.4
Family clothing stores	9,621	34.2	296.7	13.0
Women's clothing stores	741	2.6	15.8	0.7
Children's & infants' wear stores	269	1.0	4.2	0.2

* Outer jackets are also included in this classification.

** Each store location is separately counted, not just headquarter store locations. Leased departments are not included in the stores in which operated, but are treated as separate establishments in the pertinent kind-of-business classification.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade (RC87-1-3)

RETAIL SALES BY OUTLET TYPE

Specialty Stores

The number of specialty stores selling men's tailored clothing and furnishings is listed below, along with sales volume in 1987. Men's and boys' wear stores, family clothing stores, women's clothing stores, and children's and infants' wear stores are each listed separately. Sales data is in current dollars, not adjusted for inflation.

Men's Tailored/Casual Wear Sales in Specialty Stores, 1987

	No. of Stores Reporting		Men's Tailored/Casual Wear Sales % of Total Store Sales	
	Sales	Mil. $	Stores Handling Line	All Specialty Stores
Men's & boys' wear stores				
Reported total	--	$4,712.8	70.6%	53.1%
Men's:				
Overcoats, topcoats, raincoats*	13,129	642.4	8.7	7.2
Suits & formal wear	10,088	1,718.5	26.9	19.4
Sportcoats & blazers	11,267	837.2	12.2	9.4
Tailored & dress slacks	11,462	742.8	10.8	8.4
Dress shirts	12,025	603.3	8.6	6.8
Hosiery, pajamas, underwear	8,049	168.5	3.4	1.9
Family Clothing Stores				
Reported total	--	2,494.6	20.8	11.8
Men's:				
Overcoats, topcoats, raincoats*	11,971	781.6	5.0	3.7
Suits & formal wear	5,684	380.7	4.7	1.8
Sportcoats & blazers	8,311	355.5	3.0	1.7
Tailored & dress slacks	9,365	294.7	2.8	1.4
Dress shirts	10,542	385.4	2.8	1.8
Hosiery, pajamas, underwear	9,621	296.7	2.5	1.4
Women's Clothing Stores				
Reported total	--	164.2	10.3	0.7
Men's:				
Overcoats, topcoats, raincoats*	985	24.0	1.4	0.1
Suits & formal wear	676	52.7	3.5	0.2
Sportcoats & blazers	845	26.4	1.7	0.1
Tailored & dress slacks	984	16.5	1.0	0.1
Dress shirts	1,156	28.7	1.6	0.1
Hosiery, pajamas, underwear	741	15.8	1.1	0.1
Children's & Infants' Wear Stores				
Reported total	--	5,686	10.2	0.3
Men's:				
Overcoats, topcoats, raincoats*	93	1.5	5.8	0.1
Hosiery, pajamas, underwear	269	4.2	4.4	0.2

* Includes outer jackets

Source: U.S. Bureau of the Census: *1987 Census of Retail Trade*

Specialty Stores (continued)

The Retail Merchandising Service Automation, Inc. reported on the percent distribution of men's clothing sales in specialty stores by region for 1990 Compared to 1989, sales at men's specialty stores in the U.S. declined an average 2.1%. The Northeast was the hardest hit, where sales declined 6.2% while the West Coast had an upturn of 1.9%.

Sales of Men's Clothing in Specialty Stores By Region: 1990

	U.S.	Northeast	West	Central	South
Clothing	36%	39%	33%	35%	38%
Sportswear	40	34	42	51	39
Furnishings	12	13	14	9	13
Accessories	6	5	7	4	5
Other	6	9	4	1	5

Source: Daily News Record (April 5, 1991)

Department Stores

Although sales of menswear in department stores have been on the decline, these outlets still have advantages over other store types such as greater assortment, depth of stock, and ease of credit, according to a retail executive. They also appeal to a more mature customer, many of which have higher discretionary incomes.

Distribution of department store sales of menswear, by type of operation, is reported for the 1987 census by the U.S. Census Bureau.

Men's Tailored/Casual Wear Sales in Department Stores: 1987

	No. of Stores Reporting		Men's Tailored/Casual Wear Sales % of Total Store Sales	
	Sales	Mil. $	Stores Handling Line	All Dept. Stores
Conventional				
Reported total	--	$3,062.6	7.8%	6.6%
Men's:				
Overcoats, topcoats, raincoats*	1,958	470.0	1.2	1.0
Suits & formal wear	1,537	412.4	1.2	0.9
Sportcoats & blazers	1,902	436.2	1.2	0.9
Tailored & dress slacks	1,983	409.3	1.1	0.9
Dress shirts	2,318	770.1	1.7	1.7
Hosiery, pajamas, underwear	2,089	564.5	1.4	1.2

(continued)

RETAIL SALES BY OUTLET TYPE

Department Stores (continued)

Men's Tailored/Casual Wear Sales in Department Stores: 1987
(continued)

			Men's Tailored/Casual Wear Sales	
	No. of Stores Reporting		% of Total Store Sales	
	Sales	Mil. $	Stores Handling Line	All Dept. Stores
Discount or Mass Merchandiser				
Reported total	--	$1,443.4	3.1%	2.3%
Men's:				
Overcoats, topcoats, raincoats*	5,079	173.9	0.3	0.3
Sport coats & blazers	899	65.4	0.7	0.1
Tailored & dress slacks	4,433	154.5	0.3	0.2
Dress shirts	4,851	286.2	0.5	0.5
Hosiery, pajamas, underwear	5,563	763.4	1.3	1.2
National chain				
Reported total	--	1,694.7	5.0	4.7
Men's:				
Overcoats, topcoats, raincoats*	1,794	205.6	0.6	0.6
Sport coats & blazers	1,769	230.0	0.7	0.6
Tailored & dress slacks	1,797	342.4	1.0	1.0
Dress shirts	1,793	247.9	0.7	0.7
Suits & formal wear	1,709	192.5	0.6	0.5
Hosiery, pajamas, underwear	1,797	476.4	1.4	1.3

* Includes outer jackets.

Conventional: usually provides check-out service, and customer assistance in each department. May have catalog service. Often sells nationally advertised brands.

National chain: stores affiliated with a company which operates similar establishments on a national basis. Often sells own corporate brands.

Discounter/mass merchandiser: high-volume, fast turnover outlet, selling merchandise for less than conventional prices. No customer service, or catalog order service.

Source: U.S. Bureau of the Census: 1987 Census of Retail Trade

Discount Stores

The top discount stores selling menswear are listed below, ranked by total sales of menswear in each store.

Top Menswear Discounters By Sales in 1989

Chains	Millions of Dollars
K-mart	$2,363
Wal-Mart	2,259
Sears Roebuck	1,849
Mervyns	895
Target	782
Ames	651
Montgomery Ward	563
Marshalls	455
T.J. Maxx	419
Bradlees	255

Source: Apparel Merchandiser (Sept. 3, 1990)

CONSUMER EXPENDITURES

An on-going survey of household spending is conducted by the U.S. Department of Labor, Bureau of Labor Statistics, through diaries and interviews. Information on the pattern in spending for apparel, by males age 16 and older in the U.S., was collected through interviews among a representative sample of consumer units (households) each quarter.

1989 survey results were projected to 95,818,000 U.S. consumer units, including both purchasers and non-purchasers in the base. (A consumer unit is roughly equivalent to a household, but not exactly, as a household member with independent income and spending patterns is separately counted in the consumer unit count, but not in the household count as defined by the Census Bureau.)

Expenditures by region are shown for various men's apparel categories.

Pattern in Household Expenditures for Specified Menswear By Regions: 1989

	All U.S. Households	Households In The-- Northeast	Midwest	South	West
Number of Households (consumer units)* (thous.)	95,818	20,101	24,351	31,935	19,430
Total spending for apparel for men age 16 & over	100.0	100.0	100.0	100.0	100.0
Coats, jackets	8.0	9.9	5.2	9.4	7.4
Sweaters, vests	6.0	7.3	6.7	5.3	5.2
Suits	13.1	14.7	10.6	13.8	13.1
Sport coats	4.9	6.4	5.6	4.1	3.8
Shorts, short sets	2.8	3.3	1.8	3.4	2.7
Active sportswear	3.6	4.2	4.1	3.0	3.4
Shirts	24.3	22.5	24.3	23.9	26.4
Underwear	2.6	2.4	2.4	3.0	2.4
Nightwear	1.6	1.8	1.1	1.2	2.3
Hosiery	3.2	3.3	2.8	2.6	4.2
Accessories	8.6	7.8	8.8	9.5	7.9
Uniforms	0.8	0.6	1.0	0.9	0.7
Pants	20.3	15.6	25.3	19.6	20.4
Other clothing	0.3	0.2	0.3	0.4	0.2

* Includes financially independent single persons living alone or sharing a household with others; members of a household with either related or unrelated members who share responsibility for major expenses and are not financially independent.

Source: U.S. Bureau of Labor Statistics:
1989 Consumer Expenditure Survey

CONSUMER EXPENDITURES

Percent of Spending For Specified Menswear Accounted For By Region

	Total	Northeast	Midwest	South	West
Number of households (consumer units)* (thous.)	95,818	20,101	24,351	31,935	19,430
Total # of households	100.0%	21.0	25.4	33.3	20.3
Spending:					
Men's wear, total	100.0%	21.2	23.9	30.8	24.1
Coats, jackets	100.0%	26.1	15.6	36.1	22.1
Sweaters, vests	100.0%	25.6	26.6	27.1	20.7
Suits	100.0%	23.9	19.4	32.6	24.1
Sport coats	100.0%	28.1	27.4	25.8	18.8
Pants	100.0%	16.3	29.8	29.8	24.2
Shorts, short sets	100.0%	25.1	15.1	37.2	22.6
Sportswear	100.0%	24.6	27.4	25.4	22.6
Shirts	100.0%	19.7	23.8	30.3	26.1
Underwear	100.0%	19.5	22.4	35.6	22.5
Nightwear	100.0%	24.7	17.1	22.5	35.5
Hosiery	100.0%	22.1	20.9	25.1	31.9
Accessories	100.0%	19.3	24.5	34.1	22.1
Uniforms	100.0%	14.6	28.1	35.7	21.7
Other clothing	100.0%	13.2	27.1	42.7	17.1

* Includes financially independent single persons living alone or sharing a household with others; members of a household with either related or unrelated members who share responsibility for major expenses and are not financially independent.

Source: U.S. Bureau of Labor Statistics: 1989 Consumer Expenditure Survey

CONSUMER PURCHASE PATTERNS

Due to a weak economy, consumer purchases of men's apparel have been in a slump in recent years. Male shoppers in particular, are more cautious in spending on clothing than women are, and thus have been postponing such purchases, as they find alternative uses for their disposable income, according to Daily News Record. Many are willing to wear the same clothing until it is threadbare, compared to women, who prefer more variety.

Despite the fact that more women are in the labor force, they still make time to shop for their families, and remain the key decision makers when it comes to apparel, according to a recent survey. Men have begun to shop more for themselves, however, and according to estimates by the J.C. Penney Company, by 1993, 70% of men's apparel purchases will be made by men, compared to 55% in 1990.

The aging of the population should also effect men's clothing sales, as a larger number of older baby boomers have more discretionary income to spend on apparel. Men in the younger age groups, however, are most interested in the latest fashion trends, and are most likely to shop for the newest clothes. Overall, men have begun to favor a more conservative way of dressing, and are shopping for more traditional and relaxed styles.

CONSUMER PURCHASE PATTERNS

The following information on purchases of men's tailored clothing for men aged 17 years and older for the years 1989 and 1990, has been supplied by KSA/NPD Purchase Panel, a joint venture of Kurt Salmon Associates and the NPD Group. The information is based on the findings from an on-going monthly panel tracking the purchases of 11,500 nationally representative families.

Results show that purchases of men's suits, sport coats and dress shirts dropped in both unit and dollar volume in 1990 vs. 1989. In contrast, pant/slack purchases rose 2.6% in units, and 8.3% in dollars.

Purchases of Selected Categories of Menswear: 1989, 1990
(Figures in thousands)

	Units		% Change	Dollars		% Change
	1990	1989	1990/89	1990	1989	1990/89
Suits*	17.3	18.8	-8.0%	$2,836.8	$3,272.1	-13.3%
Sport coats**	13.6	15.4	-11.7	1,153.0	1,250.0	-7.8
Pants/slacks***	167.8	163.6	2.6	3,561.5	3,288.1	8.3
Dress shirts	171.5	174.5	-1.7	2,478.8	2,539.0	-2.4

* Includes suits separates
** Includes blazers
***Does not include jeans

Source: KSA/NPD Purchase Panel

By Type of Outlet

Share of purchases of menswear in department stores fell slightly in 1990 over 1989. Fewer purchases of suits and blazers/sport coats were made in chain stores, while a greater share of purchases of pants/slacks and dress shirts was made in these stores.

Purchases of Specified Categories of Menswear
by Retail Outlet: 1989, 1990
(% of dollar expenditures)

	1990	1989
Men's suits/tailored separates	100.0%	100.0%
Department stores	17.2	17.3
Chain stores*	10.6	14.4
Discount stores**	2.6	2.9
Specialty stores	46.6	46.9
All other outlets	23.0	18.5
Men's blazers/sport coats	100.0	100.0
Department stores	22.8	21.2
Chain stores*	15.2	17.0
Discount stores**	4.7	4.4
Specialty stores	35.1	35.3
All other outlets	22.2	22.1

(continued)

CONSUMER PURCHASE PATTERNS

By Type of Outlet (continued)

Purchases of Specified Categories of Menswear by Retail Outlet: 1989, 1990

(% of dollar expenditures)

(continued)

	1990	1989
Men's pants/slacks	100.0%	100.0%
Department stores	30.1	32.7
Chain stores*	22.1	21.7
Discount stores**	12.1	12.1
Specialty stores	16.5	15.7
All other outlets	19.2	17.8
Men's dress shirts	100.0	100.0
Department stores	30.1	33.1
Chain stores*	19.1	16.1
Discount stores**	13.1	12.1
Specialty stores	16.1	16.8
All other outlets	21.6	21.9

*Includes Sears/Penney/Ward **Includes K-Mart, Walmart, Target & others

Source: KSA/NPD Purchase Panel

By Price Paid

In comparing purchases of menswear by price point, results showed that a greater percentage of suits/tailored separates sold was in the $150 to $299.99 range, due primarily to the increase in the price of raw wool. Most men's blazers/sport coats sold for between $75 to $149.99, and less were purchased for under $75.00. More pants/slacks were sold at higher prices in 1990, while the majority of dress shirts were sold for $10 to $19.99.

% of Purchases of Suits and Sport Coats by Price Paid: 1989, 1990

	% of Retail Dollars	
Men's suits/	1990	1989
tailored separates	100.0%	100.0%
Under $100	11.8	11.1
$100 - 149.99	12.8	14.6
$150 - 199.99	22.3	21.7
$200 - 249.99	14.9	9.8
$250 - 299.99	12.7	11.4
$300+	25.6	31.5

	% of Retail Dollars	
Men's blazers/	1990	1989
sport coats	100.0%	100.0%
Under $50	13.2	15.8
$50 - 74.99	12.3	15.9
$75 - 99.99	23.0	19.0
$100 - 149.99	25.4	21.4
$150 - 199.99	13.0	8.8
$200+	13.1	19.1

% of Purchases of Pants/Slacks and Dress Shirts by Price Paid: 1989, 1990

	% of Retail Dollars	
	1990	1989
Men's pants/slacks	100.0%	100.0%
Under $10.00	5.1	6.4
$10 - 19.99	30.4	34.0
$20 - 29.99	32.5	31.2
$30 - 39.99	18.2	16.8
$40 - 49.99	5.8	5.1
$50+	8.0	6.5

	% or Retail Dollars	
	1990	1989
Men's dress shirts	100.0%	100.0%
Under $10	19.2	18.3
$10 - 19.99	46.4	46.5
$20 - 29.99	22.6	21.7
$30 - 39.99	7.4	6.1
$40 - 49.99	2.1	3.8
$50+	2.3	3.6

Source: KSA/NPD Purchase Panel

CONSUMER PURCHASE PATTERNS

By Fabric Content

Although wool prices have increased, the highest percentage of dollars spent was on suits made of wool. Less were made of 100% wool, however, while more were wool blends. Wool blazers and sport coats also took the greatest percentage of retail dollars for the category, while dress shirts made of cotton took 62.1% of retail dollars for the category. Slacks made of polyester were purchased most often, however, those made of cotton were increasing in demand in 1990.

% of Purchases of Specified Categories of Menswear By Fabric Content: 1989, 1990

	% of Retail Dollars	
	1990	1989
Men's suits/ tailored separates	100.0%	100.0%
Poly dominant	28.6	31.9
100% poly	3.3	2.2
Poly/wool	20.5	22.2
Other poly	4.8	7.5
Wool dominant	63.6	64.3
100% wool	54.3	57.7
Other wool	9.3	6.6
All other fabrics	7.8	3.8

	% of Retail Dollars	
	1990	1989
Men's pants/slacks	100.0%	100.0%
Poly dominant	46.0	50.6
100% poly	13.7	15.4
Poly/cotton	10.8	10.9
Poly/wool	11.1	12.8
Other poly	10.4	11.5
Cotton dominant	45.2	41.9
100% cotton	32.7	28.3
Cotton/poly	12.1	13.2
Other cotton	0.4	0.3
All other fabrics	8.8	7.5

	% of Retail Dollars	
	1990	1989
Men's blazers/ sport coats	100.0%	100.0%
Poly dominant	37.2	35.0
100% poly	3.8	4.8
Poly/wool	22.2	20.2
Other poly	11.2	10.0
Wool dominant	44.5	39.7
100% wool	37.5	27.5
Other wool	7.0	12.3
Silk dominant	9.1	11.9
All other fabric	9.2	13.4

	% of Retail Dollars	
	1990	1989
Men's dress shirts	100.0%	100.0%
Poly dominant	36.0	39.0
Poly cotton	27.7	29.7
Other poly	8.2	9.3
Cotton dominant	62.1	59.8
100% cotton	19.9	21.1
Cotton/poly	41.8	38.5
Other cotton	0.4	0.2
All other fabrics	1.9	1.2

Source: KSA/NPD Purchase Panel

By Month

The spring and summer months are becoming more important to the men's retail business, taking some of the luster away from the fall and winter periods, according to the KSA/NPD Purchase Panel. A comparison of menswear purchases by month for 1990 versus 1989 is shown below for selected apparel.

CONSUMER PURCHASE PATTERNS

By Month (continued)

% of Purchases of Selected Categories of Menswear By Month: 1989, 1990
(% of retail dollars)

	Suits		Sport Coats		Pants/Slacks		Dress Shirts	
	1990	1989	1990	1989	1990	1989	1990	1989
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
January	11.0	8.5	8.4	9.1	7.4	7.0	7.1	7.6
February	6.2	8.7	5.9	13.1	5.7	5.1	5.4	5.4
March	6.4	6.5	9.2	7.1	7.7	6.8	6.2	7.4
April	8.5	6.6	9.5	7.9	8.4	7.6	7.6	7.2
May	14.3	8.0	8.0	4.5	8.6	7.8	6.8	7.2
June	7.6	16.7	8.7	6.8	8.9	9.5	8.5	9.0
July	8.1	9.4	6.0	10.0	8.7	7.7	6.6	7.8
August	7.8	5.1	5.0	5.8	8.8	9.3	6.1	5.7
September	9.7	7.1	10.7	5.1	6.5	7.9	7.2	5.7
October	6.7	7.6	11.5	9.9	8.0	7.8	9.7	8.3
November	6.3	5.9	7.4	7.6	8.9	10.2	11.1	11.3
December	7.5	11.1	9.7	13.0	12.5	13.3	17.7	17.5

Source: KSA/NPD Purchase Panel

Percent of Retail Sales (Dollar Volume)
By Month - Total Men's Apparel
(All Retail Outlets)

Month:	1990	1980	% Change 1990/80
January	7.6%	8.1%	-6.2%
February	5.4	5.7	-5.3
March	6.3	5.7	10.5
April	6.7	6.3	6.3
May	7.3	5.4	35.2
June	8.3	7.6	9.2
July	7.1	5.9	20.3
August	7.3	7.2	1.4
September	6.8	6	13.3
October	8.2	8.4	-2.4
November	11.3	13.1	-13.7
December	17.7	20.6	-14.1

Source: Daily News Record (April 26, 1991)
Based on NPD Group Consumer Purchase Panel

FACT FILE SPECIAL EDITIONS

Statistical Analysis of Retailing: A detailed statistical summary of retail trade in the U.S. based on the findings in the 1987 Census of Retail Trade issued by the U.S. Census Bureau in 1989. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, geographical changes, etc.

Merchandise Sales By Retail Outlet: Based on U.S. Census Bureau data issued in 1990, this special study covers sales in a wide range of product lines using retail outlets, including apparel, footwear, sporting goods, home furnishings, food and drugs. Sales are detailed, and trends analyzed on market shares held by major outlet types, using Census of Retail Trade data, which is published only once every five years. A must for marketing and merchandising people.

The Impact of a Maturing Market: Covers the implications for marketers of the changing lifestyle of an aging population, focusing on market segments within the mature market. The baby boomers now mostly in their 30s and 40s are an important aspect of this market. Many are confronting new developments affecting their careers and income prospects as the country enters a recession. The older population is setting a new course in lifestyles, with improvement in income, health and longevity. Available data on current developments and outlook for segments within the 30-plus U.S. population are covered.

SCHEDULE OF ADDITIONAL FACT FILES

The Children's Market: Infants', Toddlers', Girls' and Boys' (Apparel, Juvenile Products, Toys/Dolls): Covers demographic trends affecting this market, including births, population projections by age, and characteristics of households with children. Includes detailed information on the U.S. children's wear industry, including production and shipments, foreign trade and price trends. Also covered are market trends for juvenile products (cribs, strollers, etc.) and for toys, games and dolls.

Consumer Market Developments: An annual overview of all facets of the consumer market. Within the framework of population and income groups, the markets for children's products, for young adults and for the mature are defined in terms of numbers and buying power. Trends and projections are included as well as an analysis of developments that are shaping the U.S. consumer market--living arrangements, households, working women, marriage and birth rates, etc. Trends in personal consumption expenditures are also covered.

Dresses and Washable Service Apparel (Women's, Misses' & Juniors'): At the manufacturer level, provides a statistical profile of the dress industry and the products made within this industry, including dresses, washable service apparel, ensembles, etc. Includes number and size of manufacturers, production, and value of shipments, industry location and trends in employment levels. Analyzed is the governing impact of imports on total U.S. market supply. Retail sales by major type of retail outlet are covered, as well as growth in the size of the consumer market, based on population counts, working women by type of occupation, and more.

Fashion Accessories (Men's, and Women's): Covers developments in the U.S. industry, in imports and in retail sales for fashion accessories, including small leather goods, handbags, millinery, scarves, gloves, belts, jewelry, sunglasses, watches, etc., to the extent that statistical information is available. Included are production and shipments by U.S. manufacturers plus the quantity and value of imports in recent periods. Retail sales in department and specialty stores are reported, as well as summaries of available studies on consumer buying preferences.

Footwear (Men's, Women's, Boys', Girls'): An annual statistical summary of the U.S. footwear industry and U.S. market. Covers domestic production and shipments, and details trends in imports and their share of the domestic market, with information on major types of footwear. Includes information on sales trends and operating/merchandising results for shoe departments.

Home Textiles & Related Products: Includes the latest statistics on the U.S. industry, including manufacturers of a wide variety of products--bed linens, towels, blankets, comforters, slip covers, pillows, curtains/draperies and hardware, shades and blinds. Covers the changing competitive nature of the industry through acquisitions of major producers and through consolidation of buying power at the retail level. Includes information on production, shipments and retail sales.

Hosiery/Legwear/Bodywear (Men's, Women's, Boys', Girls'): A comprehensive report on mills making hosiery and related products, including production and shipments, fiber consumption, producer price trends. The growing trend in imports is also covered. At the consumer level, the size of the potential market is measured in terms of population counts and projections, and estimates are included on retail sales of major products by type of retail outlet.

Household Appliances, Electric Housewares: Covers a broad range of products included in these two classifications at the manufacturer and at the retail level. Provides a statistical profile of the U.S. industry in terms of number of manufacturers, production, shipments, exports. Imports are detailed, as well as information on export markets. Covers retail sales and merchandising results and information on appliance/radio/TV stores.

Household Furniture and Bedding: Provides an overall view of market trends in the U.S. For the U.S. industry, the report covers statistics on manufacturers, on production and shipments in terms of quantity and value by type of furniture. Trends in the concentration levels in the U.S. industry are reported, as well as in employment and earnings in the industry. Also included is information on the industry in leading states. Consumer market information includes data on characteristics of new housing units (number of rooms); also trends in consumer expenditures for furniture, sales by type of outlet. Details on furniture stores, including the 25 leaders, are also covered.

Men's Clothing and Furnishings: Provides a summary of major market trends in the men's furnishings/work/career apparel area and the tailored clothing areas, as well as in the rainwear area. Covers production and shipment information, employment trends, manufacturer concentration levels, location of the industries. Also examines import/export material. There's a look at the consumer market, plus in-depth details covering the retail level including sales and operating results for men's furnishings/work/career apparel/and tailored wear in both department and men's wear stores.

Men's Sportswear, Casual Wear, Outerwear: The wide variety of men's wear items included are covered from available statistical information on the industry at the manufacturer, retailer and consumer levels. Included is information on production and shipments by domestic producers, imports and exports. The retail market is covered in sales estimates and data on major outlet types, as well as studies of consumer buying practices.

The Sports/Fitness/Leisure Markets: Covers details on U.S. manufacturers in the sporting goods/athletic goods industry, concentrating on products sold through retail outlets such as sporting goods stores and general merchandise stores, as well as functional athletic footwear and apparel. Includes quantity and value of shipments of specified products, concentration of shipments among leading manufacturers, and trends in producer prices. Imports of specified sporting and athletic goods are covered. At the consumer level, data includes statistics and sports participation levels and purchases of specific sports equipment.

Sportswear, Casual Wear, Separates (Women's, Misses' and Juniors'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, seasonal patterns, and consumer buying habits.

The Textile/Apparel Industries: Provides an overview of the U.S. textile and apparel industries, their current problems and programs to improve their competitive position in the U.S. market and abroad. Covers a statistical profile of each industry in terms of number of manufacturers, concentration levels, production and shipments, including exports. Trends in imports in terms of quantity and value are detailed, as well as quota developments. Also included is information on plant and equipment expenditures and on mill machinery in place in U.S. mills.

Toiletries, Cosmetics, Fragrances and Beauty Aids: A detailed view of the U.S. industry, leading manufacturers, sales of products for both men and women, trends in industry employment and earnings, advertising expenditures and foreign trade. Consumer expenditures by product are detailed as well as retail sales by outlet type, and consumer buying patterns and usage in regard to specified products.

Women's Inner Fashions: Nightwear, Daywear and Loungewear: An analysis of statistical information available on the industry and market, from manufacturer through to consumer. Includes the latest available data on U.S. production, shipments and exports; and details on imports. Retail sales and operating results in department and specialty stores are covered, as well as trends in producer and consumer prices. Developments in the size of the consumer market and trends in the market are summarized.

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